



Changes to making local calls in five area codes

Aberdeen (01224), Bradford (01274), Brighton (01273),
Middlesbrough (01642) and Milton Keynes (01908)

(~~✂~~ Redacted for publication)

Statement

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Contents

Section		Page
1	Summary	3
2	Introduction and background	6
3	Responses to the July 2013 consultation	14
4	Summary of our decisions and next steps	20
Annex		Page
1	Respondents to the July 2013 consultation	27
2	Area code maps	28
3	Forecast of number block availability	32
4	Legal framework	34
5	Modification to the provisions of the National Telephone Numbering Plan under sections 56(2) and 60 of the Communications Act 2003	36

Section 1

Summary

- 1.1 Ofcom administers the UK's telephone numbers. This Statement sets out and explains our decision to change the way local calls are dialled in five UK area codes: Aberdeen (01224), Bradford (01274), Brighton (01273), Middlesbrough (01642) and Milton Keynes (01908). We refer to these area codes as 'the Five Area Codes' in the rest of this document.
- 1.2 The change will come into effect on 1 October 2014 and will require the whole phone number, including the area code, to be dialled when making local calls from a landline in any of the Five Area Codes, in the same way that such calls are currently made from a mobile phone. Dialling a local call with the area code will not affect the price of the call.
- 1.3 The change is necessary in order to make sure that the choice of providers and services available to consumers and businesses local to the Five Area Codes will not be constrained by shortages of new phone numbers.
- 1.4 Geographic telephone numbers¹ are an increasingly scarce resource. We allocate these numbers in large blocks to communications providers ('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.
- 1.5 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, including the Five Area Codes. 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 in November 2010, September 2011 and March 2012 on measures designed to ensure the ongoing availability of geographic numbers across the UK.²
- 1.6 In September 2011 we decided that where a four-digit area code (i.e. in the format 01XXX) needs more local numbers, we will increase supplies by requiring local landline users to dial the area code when making local calls. Making this change (known as 'closing local dialling') enables us to release to CPs previously unusable local numbers in which the first digit after the area code is either '0' or '1'. This increases the supply of numbers without requiring any changes to existing phone numbers.
- 1.7 Following that decision, the first area code in which our supplies of geographic numbers approached exhaustion was Bournemouth (01202). After consultation, local dialling was closed in the 01202 area code on 1 November 2012. We worked with an industry group formed to consider the implementation of closing local dialling to plan

¹ Geographic telephone numbers start with '01' or '02', and the following few digits associate the number with a particular UK location.

² *Geographic telephone numbers: Safeguarding the future of geographic numbers*: three documents published on 25 November 2010, 7 September 2011 and 20 March 2012. All are available at <http://stakeholders.ofcom.org.uk/consultations/geographic-telephone-numbers/>.

the implementation of the change, which was completed successfully with apparently minimal disruption to consumers.

- 1.8 Our current forecasts show that, after making the change in the Five Area Codes, 25 other four-digit area codes are likely to need new supplies of numbers over the next 10 years. We consider that it would be appropriate to address number shortage in those area codes progressively as their existing supplies of numbers approach exhaustion. We will consult when proposing changes in those other area codes, but our general intention is to close local dialling in several areas at the same time every few years, in order to facilitate clear communication to consumers and cost-effective implementation.

The consultation on closing local dialling in the Five Area Codes

- 1.9 We forecast that we will exhaust our existing supplies of geographic telephone numbers in the Aberdeen (01224), Bradford (01274), Brighton (01273), Middlesbrough (01642) and Milton Keynes (01908) area codes in the period July 2015 to October 2016 unless we take action. We need to safeguard the future of supply of landline numbers in the Five Area Codes to ensure that a shortage of new numbers does not restrict the choice of CPs and services available to local consumers and businesses.
- 1.10 Consistent with our September 2011 decision, and the approach followed in Bournemouth, we proposed in a consultation published on 19 July 2013 ('the July 2013 consultation')³ that we close local dialling in the Five Area Codes to address the forecast shortages. We asked for views on our proposals to close local dialling in these areas on 1 October 2014.
- 1.11 We have considered all responses received in relation to these proposals. No significant issues were raised with the proposed date. Some respondents made general comments on the decision to close local dialling to increase the supply of numbers, preferring alternative options such as number change or closing local dialling across the UK. However, they did not make any new points to affect our implementation of the policy decision we 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 proposals to close local dialling in the Five Area Codes on 1 October 2014.

Next steps

- 1.12 This Statement confirms 1 October 2014 as the date from which the whole number, including the area code, will need to be dialled when making local calls from a landline in Aberdeen (01224), Bradford (01274), Brighton (01273), Middlesbrough (01642) and Milton Keynes (01908).
- 1.13 We have modified the National Telephone Numbering Plan⁴ ('the Numbering Plan') so that from 1 October 2014 CPs must withdraw the provision of the local dialling facility to their customers in the Five Area Codes (there is a general requirement in the Numbering Plan to provide local dialling for geographic numbers).

³ *Changes to making local calls in five area codes*, Ofcom consultation document published on 19 July 2013 available at <http://stakeholders.ofcom.org.uk/consultations/local-area-codes/>.

⁴ *The National Telephone Numbering Plan* http://stakeholders.ofcom.org.uk/binaries/telecoms/numbering/Numbering_Plan_October_2013.pdf.

- 1.14 Now that the date for closing local dialling for these area codes has been confirmed, Ofcom, CPs and other stakeholders can begin to communicate the need to dial the area code to residents and businesses in the areas affected. Consumer awareness campaigns will ensure that the change is communicated effectively in the local areas. CPs will communicate with their customers directly and Ofcom will coordinate a wider consumer communications campaign in coordination with local stakeholders and the industry group. Further information on closing local dialling in the Five Area Codes can be found on our website at www.ofcom.org.uk/dialthecode.

Section 2

Introduction and background

2.1 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 Numbering Plan and with General Condition 17 ("Allocation, Adoption and Use of Telephone Numbers") of the General Conditions of Entitlement.⁵

Scarcity of geographic numbers in some area codes

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 increase in demand for geographic telephone numbers – numbers which start with '01' and '02'. However, our stock of geographic telephone numbers available for allocation is limited. We forecast that, unless we take action, we will soon run out of available blocks of geographic telephone numbers in some area codes to allocate to CPs.

2.3 While this does not present a direct risk to the availability of numbers for consumers' use, exhaustion of blocks of geographic numbers to allocate to CPs could restrict the provision of services and 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*",⁶ and we are required to secure the availability throughout the UK of a wide range of electronic communications services.⁷ We must therefore be prepared to increase the supply of numbers in area codes that are close to exhaustion.

We previously decided how to address such scarcity

2.4 In September 2011, following consultation, we decided how we would make more geographic telephone numbers available in four-digit area codes (i.e. in the format 01XXX) where we forecast that we will run out of our existing supplies.⁸

2.5 We decided that the most appropriate solution to increase the supply of numbers in any area with a four-digit area code is to:

- 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

⁵ General Condition 17 is appended as an annex to the Numbering Plan.

⁶ Article 10(1) of the Framework Directive (Directive 2002/21/EC on a common regulatory framework for electronic communications networks and services)

<http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:337:0037:01:EN:HTML>.

⁷ Under section 3(2)(b) of the Act.

⁸ *Geographic telephone numbers: Safeguarding the future of geographic numbers*, 7 September 2011 ('the September 2011 statement and consultation'), available at

<http://stakeholders.ofcom.org.uk/consultations/geographic-telephone-numbers/>.

allocate 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 Closing local dialling would make available for use local numbers beginning with the digits '0' and '1'. For example, in the Aberdeen (01224) area code, this means numbers in the format 01224 0XXXXX and 01224 1XXXXX. Dialling the area code before the local number ensures that telephone networks do not confuse the new supply of local numbers with other number types and can determine how to route the call. If the area code is not dialled, networks may not be able to determine whether a caller dialling a six-digit number starting with '0' is intending to call a local landline 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 number beginning with '1', telephone 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' call return or a service number such as a '118XXX' directory enquiry number.
- 2.7 This solution 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.
- 2.8 We decided to take this approach to address forecast scarcity of geographic numbers in areas with four-digit codes as we considered it to be the option that limits the extent of disruption that could be caused by increasing the supply of numbers. In reaching this decision, we assessed this measure against other options: closing local dialling across the UK; implementing an overlay code immediately; and requiring a code and number change (e.g. shortening the area code to two or three digits and increasing the length of each local number).
- 2.9 We concluded that the best option for consumers, businesses and for competition between CPs would be to close local dialling in an area code when its supplies of numbers nears exhaustion and, if and when needed, introducing an overlay code. In summary, the key factors that led to our decision were:
- the combination of closing local dialling and the later introduction of an overlay code has the potential to increase the supply of geographic numbers well beyond the foreseeable future, and hence to make sure that the numbers that consumers and CPs want are available when they are needed;
 - closing local dialling would retain the current location significance of all geographic numbers, and, before any overlay code may be introduced, would preserve the current association between an area and a single area code. It could also aid understanding of any future introduction of overlay codes, where this proves necessary, because dialling the full area code for local calls would have become normal practice. This may help reduce confusion around dialling behaviour for numbers within the same geographic area with different area codes (i.e. the original code and the overlay code), particularly the longer the interval between the two stages;
 - in addition, closing local dialling would defer the need for an overlay code, which is potentially more disruptive because it could affect the location significance of

numbers for consumers both within and outside the affected areas. Consumer research conducted in 2011 found that consumers consider that closing local dialling would have a lower negative impact on them than an overlay code or a number change;⁹

- closing local dialling only in area codes with a forecast number shortage would limit the impact on consumers to areas where action was required; and
- although we noted the potential for a significant impact on older and vulnerable consumers as a result of our preferred option, we considered that no option for increasing the supply of geographic numbers offered a clear advantage to vulnerable groups. However, doing nothing is not a viable option for area codes where geographic numbers are forecast to run out. In addition, we considered that the impacts could be mitigated by effective and targeted communication.

We implemented this solution in the Bournemouth (01202) area code with minimal disruption to consumers

- 2.10 In March 2012 we forecast that we would exhaust our supplies of geographic telephone numbers in the Bournemouth (01202) area code later that year. Following consultation,¹⁰ we decided to close local dialling in that area code on 1 November 2012. We set out our decision in a statement ('the May 2012 Statement').¹¹
- 2.11 We formed a 'Closing local dialling industry group' ('the industry group')¹² in November 2011 to consider implementation of closing local dialling. We worked closely with this group to deliver a local information campaign and a co-ordinated plan for the closing of local dialling in the Bournemouth (01202) area code. Implementation was completed successfully on 1 November 2012 and it appears to have caused minimal disruption to consumers.
- 2.12 Prior to implementation, Ofcom commissioned a survey of consumers with 01202 numbers that indicated that 96 per cent of respondents were not concerned by the change.¹³ After its implementation, we did not receive any substantial contact or concern from consumers directly, and CPs reported little to no contact to their customer help services regarding this change. In our view, the local information campaign was important to the successful implementation in Bournemouth, with the

⁹ Consumer research report prepared by Futuresight on geographic numbers *Geographic Numbering: Summary report of findings - June 2011*, which we published on 7 September 2011 ('the 2011 consumer research') <http://stakeholders.ofcom.org.uk/consultations/safeguarding-geographic-numbers/>.

¹⁰ *Geographic telephone numbers: Safeguarding the future of geographic numbers*, Ofcom consultation document published 20 March 2012, available at <http://stakeholders.ofcom.org.uk/binaries/consultations/geo-numbers/summary/condoc.pdf> ('the March 2012 Consultation').

¹¹ See *Changes to making local calls in the 01202 area code for Bournemouth, Christchurch and Poole*, Ofcom statement published 31 May 2012, available at <http://stakeholders.ofcom.org.uk/binaries/consultations/geo-numbers/statement/statement.pdf>.

¹² The industry group consists of representatives from around 10 CPs with the most geographic number allocations and fixed line customers and the largest market shares of fixed line call origination.

¹³ Ofcom press release 1 November 2012, *Dial the code in Bournemouth, Christchurch and Poole* (<http://media.ofcom.org.uk/2012/11/01/dial-the-code-in-bournemouth-christchurch-and-poole/>).

survey indicating that 81 per cent of local consumers were aware of the change before it occurred.¹⁴

We have also introduced a pilot scheme to charge CPs for numbers allocated to them in certain area codes

- 2.13 Our approach to ensuring an adequate supply of geographic numbers also includes considering ways to promote the efficient use of existing numbers. In July 2012 we published a statement confirming the introduction in April 2013 of number charging in a pilot scheme.¹⁵ We expect that charging CPs for their allocated numbers will improve incentives to use numbers efficiently.
- 2.14 The pilot scheme was introduced on 1 April 2013, and the first charging year will end on 31 March 2014. This scheme covers 30 area codes with the fewest number blocks remaining available for allocation around the time of our statement (i.e. as at 29 June 2012),¹⁶ and includes the Five Area Codes.
- 2.15 The introduction of the pilot scheme has resulted in some CPs reassessing their numbering requirements and returning number blocks to Ofcom. This reduced the number of area codes that we needed to consider at this time for closing of local dialling to address number shortage. CPs' assessment of numbering requirements will be ongoing and we may receive further number block returns during the charging year. However, the low level of current number block availability in the Five Area Codes means that it is highly unlikely that CPs would return sufficient blocks in any of those area codes to ensure an adequate supply to meet CPs' likely demand for numbers for the next few years.

The July 2013 consultation on closing local dialling in the Five Area Codes

We need to take action to avoid number shortage in the Five Area Codes

- 2.16 We now forecast that, unless we take action, we will exhaust our existing supplies of geographic telephone numbers in the Aberdeen (01224), Bradford (01274), Brighton (01273), Middlesbrough (01642) and Milton Keynes (01908) area codes during the period July 2015 to October 2016.
- 2.17 Following the approach taken successfully in Bournemouth, on 19 July 2013 we published a consultation on proposals to close local dialling on 1 October 2014 in the Five Area Codes to address the forecast shortage.
- 2.18 We worked with the industry group to determine an appropriate threshold for when we need to consider taking action to increase the supply of numbers in an area code and consult on a date for closing local dialling. Any such threshold would need to take into account number block availability, forecasts for running out of numbers and the time required to implement the changes and adequately inform consumers. Our principles were to establish a threshold that was transparent and that would identify any area codes forecast to experience shortage over the next two to three years.

¹⁴ Ibid.

¹⁵ *Promoting efficient use of geographic telephone numbers*, Ofcom statement published on 18 July 2012 (<http://stakeholders.ofcom.org.uk/binaries/consultations/geo-numbers/statement/numbers-statement.pdf>).

¹⁶ Ibid, see page 59.

- 2.19 Current analysis of different scenarios using block availability and forecasting has shown that closing local dialling in area codes with fewer than 70 blocks of 1,000 numbers remaining available for allocation to CPs (at the time of going to consultation on the change) is likely to prevent acute shortage within the next few years, given that 70 blocks provides sufficient numbers for four to five more years on average. This threshold has the support of the industry group. Nevertheless, availability of 70 blocks will not necessarily be the appropriate threshold in the future as this measure will need to be tested against forecasts and allocation rates to determine whether it would afford sufficient block availability.
- 2.20 There are currently five area codes with 70 or fewer blocks of 1,000 numbers remaining available for allocation (i.e. the Five Area Codes). Figure 2.1 sets out the number of blocks available as at 8 July 2013 (when the assessment of area codes for consultation was made) and our forecast at that date of when they will run out in each of the Five Area Codes.

Figure 2.1 The Five Area Codes – forecast and block availability as at 8 July 2013

Area Name	Area Code	Number of 1,000-number blocks available (as at 8 July 2013)	Forecast of when available blocks will run out
Aberdeen	01224	50	October 2015
Bradford	01274	38	September 2015
Brighton	01273	33	February 2015
Middlesbrough	01642	42	September 2016
Milton Keynes	01908	53	May 2016

- 2.21 Figure 2.2 updates the current block availability and forecast for the Five Area Codes to show figures as at 11 September 2013. In each of the area codes, number blocks have been allocated in the intervening period, reducing block availability further. Forecast exhaustion dates have been extended in some area codes. This is because our forecasts are based on historical allocation trends over a rolling three year period. Consequently, they are affected by fluctuations in demand for numbers in individual area codes during the specific three year period used for the forecast.

Figure 2.2 The Five Area Codes – forecast and block availability as at 11 September 2013

Area Name	Area Code	Number of 1,000-number blocks available (as at 11 September 2013)	Forecast of when available blocks will run out
Aberdeen	01224	44	July 2015
Bradford	01274	30	September 2015
Brighton	01273	31	September 2015
Middlesbrough	01642	36	July 2016
Milton Keynes	01908	48	October 2016

- 2.22 As there are fewer than 70 number blocks available for allocation in each of the Five Area Codes and these blocks are forecast to run out within the next two to three years unless action is taken, we considered it an appropriate time to plan for increasing the supply of numbers and to consult on a date for closing local dialling in those area codes.
- 2.23 All other area codes currently have over 70 blocks available for allocation and are forecast to have sufficient numbers available to meet CPs' requirements until at least 2017. We did not consider that measures to increase the supply of numbers in any area codes other than the Five Area Codes are required at this time.
- 2.24 Closing local dialling would make available for use local numbers beginning with the digits '0' and '1' (i.e. numbers in the format 01224 0XXXXX and 01224 1XXXXX in the Aberdeen area code, for example). Figure 2.3 below sets out the quantity of numbers which closing local dialling would make available for allocation in each of the Five Area Codes and our forecast for how many years of additional number supply these would provide.¹⁷ These forecasts may be subject to change for a number of reasons, including the possible effect of policy changes such as charging for numbers and any potential changes to our administrative processes for allocating geographic numbers.¹⁸ Further demand for numbers in the Five Area Codes would be met through the introduction of an overlay code.

Figure 2.3 The Five Area Codes – increase in number block availability following closing of local dialling and forecast

Area Name	Area Code	Additional 1,000-number blocks made available	Forecast of when available blocks would run out (as at 11 September 2013)
Aberdeen	01224	207	2024
Bradford	01274	190	2029
Brighton	01273	206	2028
Middlesbrough	01642	169	2029
Milton Keynes	01908	164	2027

Why we proposed 1 October 2014 as the date on which local dialling will be closed in the Five Area Codes

- 2.25 We worked with the industry group to identify an appropriate date on which to close local dialling in the Five Area Codes in order to meet the need for more numbers.

¹⁷ Figure 3.2 in the July 2013 consultation included a similar table with forecasts using data available as at 8 July 2013. Figure 2.3 in this document shows that forecast exhaustion dates have been extended in some area codes. Although the quantity of additional 1,000 number blocks made available once local dialling has been closed in an area code has not changed, the forecasts of when available blocks will run out also reflects the current quantity of blocks available and fluctuations in demand, and is therefore subject to change for a number of reasons.

¹⁸ We are currently reviewing our administrative processes for allocating geographic numbers and plan to consult on our proposals later this year. For more information, see paragraphs 5.97 to 5.201 of the September 2011 statement and consultation.

2.26 The implications of planning for the change in five area codes on the same day, as opposed to a single area as at the time of the Bournemouth change, were a particular consideration. The industry group and Ofcom agreed that it would be advantageous to implement the changes on a single date to ensure a consistent communications message. Focusing the five local communications campaigns on one date should also prove a more cost-effective approach than a staggered implementation. It was recognised that communicating and implementing the change in five area codes simultaneously may have resource implications. However, the industry group concluded that this would be manageable for these specific five area codes, on the understanding that approximately one year's notice of the change would be provided.

2.27 In deciding on an appropriate timeframe for the change, we took the following points into account:

- the need to act in sufficient time to avoid number shortage in the Five Area Codes, which would restrict CPs' ability to compete for new customers in these areas;
- the time required by CPs to plan for and implement the change in their networks;
- reasonable timescales for communicating the change in dialling behaviour to consumers in the Five Area Codes;
- additional considerations relating to communicating the change in dialling behaviour to older and vulnerable consumers, such as using a wide variety of communication channels to communicate the change and ensuring sufficient time for those who care for, or come into contact with, older or vulnerable consumers to help them prepare for the change to local dialling; and
- the need to avoid certain timeframes due to:
 - local or national events that may dilute consumer awareness communication campaigns;
 - any freezes on amendments to telephone networks set by CPs to avoid overloading (e.g. over the Christmas period); and
 - unsuitable times of year to introduce changes to the way people use their landlines due, for example, to a higher level of calls being made (e.g. over the Christmas period) or when a higher percentage of people may be away from home or temporarily visiting an area, such as the summer period.

2.28 In identifying our proposed date, we took into account the following views on the day of the week and/or time of day that local dialling should be closed that were expressed by CPs during the consultation on closing local dialling in Bournemouth:

- all CPs should close local dialling on a single calendar day to avoid consumer confusion arising from an inconsistent approach and to aid communication;
- closing local dialling on a weekday may make it easier for CPs to react to any unforeseen impact from closing local dialling as more engineers, customer-facing employees and any other support staff required would be available to respond; and

- there should be a specified time during which CPs can make the change to their network to close local dialling and install a mis-dial message that consumers will hear if they dial a local number without the area code. That time period should allow for CPs that prefer to make the change during or outside of office hours.

2.29 Taking into account all the factors above, in the July 2013 consultation we proposed that Wednesday 1 October 2014 would be an appropriate date on which to close local dialling in the Five Area Codes because:

- it would release new numbers for allocation ahead of the forecast for when we will run out of blocks to allocate to CPs in the first of the Five Area Codes;¹⁹
- it would allow us to provide stakeholders with approximately a year's notice of the change, which would help CPs and Ofcom to plan implementation with minimal disruption to consumers;
- to the best of our knowledge, this is not an unsuitable time of year to make a change to local dialling and there are no local or national events occurring on or around that date that are likely to dilute the communications message. We said that we sought further information through the consultation to confirm our understanding;
- it is a working day, which would facilitate CPs' implementation; and
- being the first day of a month, it would be memorable and so assist in the formulation of a clear communications campaign.

2.30 We proposed that the change should be implemented between the hours of 00:01 and 12:00.

We proposed a modification to the Numbering Plan to close local dialling in the Five Area Codes

2.31 The Numbering Plan contains obligations on CPs in relation to local dialling. In order to close local dialling in the Five Area Codes we proposed to modify the Numbering Plan to:

- remove the Five Area Codes from the obligation on CPs to provide the local dialling facility to callers in geographic area codes;
- require CPs not to provide local dialling from geographic numbers within the Five Area Codes; and
- bring the above modifications into effect from 1 October 2014.

¹⁹ At the time of the July 2013 consultation, we forecast that Brighton would be the first area code to run out of available numbers in February 2015. Our revised forecast (see paragraph 2.21 and Figure 2.2) is that Aberdeen will be the first of the Five Area Codes to run out of available numbers in July 2015.

Section 3

Responses to the July 2013 consultation

- 3.1 We asked stakeholders for comments on our proposals to close local dialling in the Five Area Codes – Aberdeen (01224), Bradford (01274), Brighton (01273), Middlesbrough (01642) and Milton Keynes (01908) – on 1 October 2014. We also asked stakeholders if they were aware of any local or national events that may dilute the consumer awareness communication campaigns or any other factors that would make the proposed date unsuitable. Finally we asked for comments on our proposed modification to the Numbering Plan and how we considered it meets the relevant legal tests in section 60(2) of the Act.
- 3.2 We received 20 responses to the July 2013 consultation. Annex 1 contains a list of the non-confidential respondents. Non-confidential responses are available on our website.
- 3.3 We set out below the points raised by stakeholders and our responses to them.

1 October 2014 as the date for closing local dialling in the Five Area Codes

Stakeholders' comments

- 3.4 Thirteen²⁰ respondents confirmed that they were unaware of any local or national events that we should consider as diluting the communications campaign. However, two respondents²¹ referred to events taking place in Scotland that we should consider as potentially diluting consumer awareness: the Scottish independence referendum taking place on 18 September 2014 and the Commonwealth Games being held in Glasgow between 23 July and 3 August 2014. Five respondents made no reference to the proposed date. BT anticipated that Ofcom would engage with key stakeholders in the local area, such as local authorities, to further determine the suitability of the proposed date.

Ofcom's response

- 3.5 We have considered whether the Scottish independence referendum or the Commonwealth Games are likely to affect consumer awareness of the forthcoming change to local dialling in Aberdeen (and in any other of the Five Area Codes). We have concluded that although both events will occur shortly before 1 October 2014, they are not likely to dilute consumers' awareness of the change because the timing of the communications campaign to inform consumers of the change can be tailored to take account of these events. We therefore do not consider that we should change the proposed date because of these events.
- 3.6 We have brought the consultation to the attention of local authorities, MPs and MSPs of the areas covered by the Five Area Codes. We have not received any objections or reasons to doubt that 1 October 2014 would be a suitable date.

²⁰ Those respondents were Mr Kingsley, Mr Marsh, Mr Streeter, Name Withheld 1 to 6, BT, Vodafone, [redacted] and [redacted].

²¹ Those respondents were Mr Troup and Name Withheld 8.

Closing local dialling to increase the supply of numbers

Proposal to close local dialling in the Five Area Codes

Stakeholders' comments

- 3.7 Eight respondents agreed with our proposal to close local dialling in the Five Area Codes.²² One respondent²³ commented that this was already a requirement when making calls from mobile phones and often done when making local calls from landlines. Another respondent,²⁴ while agreeing with the proposal, also noted that alternative options of a number change or closing local dialling across the UK may be more convenient for consumers.
- 3.8 Mr Norman Baker, MP for Lewes, questioned the need to take action in the Five Area Codes given his general impression that people were increasingly using mobile phones and abandoning their landline phones. Mr Baker also asked whether any decision to take action in the Five Area Codes would be reconsidered, or at least deferred, should CPs return a large quantity of unused number blocks to Ofcom. Mr Baker referred in particular to the pilot scheme for number charging as potentially incentivising CPs to consider their number block holdings.
- 3.9 One respondent,²⁵ who disagreed with the policy approach in general, considered that local dialling should not be closed in Aberdeen without first investigating advantages and public support for a country-wide numbering solution for Scotland.

Ofcom's response

- 3.10 We welcome the support received from respondents for our proposal to increase the supply of available numbers by closing local dialling in the Five Area Codes on 1 October 2014.
- 3.11 As explained in the July 2013 consultation, action is required to ensure that shortage of local numbers would neither constrain CPs' commercial activities nor pose a barrier to innovation. The number of CPs offering fixed line services in the UK has increased significantly over the last ten years, providing more competition and choice for consumers. This has led to a continued increase in demand for geographic numbers. In the Five Area Codes, demand for numbers has been driven by the number of CPs wanting to provide services to local consumers and businesses and by the relatively large population covered by each of the area codes. Consumer demand for landline services remains steady despite the increase in mobile phone use, with around 85 per cent of UK households retaining a landline,²⁶ in some cases to support a broadband connection rather than used frequently to make and receive calls.
- 3.12 In response to Mr Baker's comments on how we might react to increased block availability (should that occur), we have received no indication that CPs will return a sufficient quantity of unused allocated blocks in any of the Five Area Codes for us to

²² Those respondents were Mr Kingsley, Mr Marsh, Mr Troup, BT, Vodafone, [X], [X] and [X].

²³ That respondent was Mr Kingsley.

²⁴ That respondent was Mr Marsh.

²⁵ That respondent was Name Withheld 8.

²⁶ See Figure 5.52 of *The Communications Market 2013* report published by Ofcom August 2013 available at <http://stakeholders.ofcom.org.uk/market-data-research/market-data/communications-market-reports/cmr13/telecoms-networks/?pageNum=6#in-this-section>.

be able to meet demand for the next few years. Demand for number blocks in the Five Area Codes has continued during the consultation period and the level of block availability in each area code has reduced (as illustrated by comparing block availability in Figure 2.1 and Figure 2.2). In the event that an unexpected and significant level of number block returns occurs in any of the Five Area Codes, we would consider the most appropriate course of action with industry and local stakeholders, including local authorities and consumer groups. However, once planning and implementation for closing local dialling has begun, changing our course of action is likely to cause confusion for consumers and uncertainty for CPs and would only be considered in exceptional circumstances.

- 3.13 In response to the comment we received on the most appropriate course of action for Aberdeen, we decided our policy for managing number scarcity across the UK following a consultation process during which we considered alternative approaches extensively. We did not receive proposals for a different course of action in Scotland or other parts of the UK during that process.

Closing local dialling as the general approach to increasing the supply of numbers in an area code

Stakeholders' comments

- 3.14 Most consumers that responded to the consultation disagreed with the general policy of closing local dialling on a localised basis as the first step in increasing the supply of numbers in an area. Three respondents²⁷ objected to closing local dialling on the basis that they saw it as a short-term solution, which may lead to more disruptive changes (i.e. an overlay code) being introduced within a decade. One respondent²⁸ expressed concerns that our policy for managing demand, which includes the potential for overlay codes, will ultimately dilute local identity and disadvantage new entrants to the telecoms market. Another respondent²⁹ argued that in the long run it would be better not to potentially break the link between numbers and areas, which could be better preserved through a number change. A further respondent³⁰ argued against the additional time it would take to dial the area code for local calls.
- 3.15 In considering alternative approaches, five respondents³¹ favoured a number change solution to manage demand. This was seen as a longer-term option that would maintain the location information provided by geographic telephone numbers. Number change would continue the pattern of moving to shorter area codes and longer local numbers undertaken in the 1990s and 2000 to increase the number supply in areas experiencing the greatest demand. Respondents suggested various approaches, including the sharing of adjacent area codes (e.g. Bradford using the Leeds 0113 area code) and moving to 02X codes (e.g. Brighton changing to a 023 X area code).
- 3.16 Five respondents³² argued that, to ensure consistency and reduce potential consumer confusion, we should close local dialling across the UK rather than on a localised basis in response to number shortage.

²⁷ Those respondents were Name Withheld 6 & 8 and The Voice on the Net Coalition Europe ('VON').

²⁸ That respondent was Name Withheld 8.

²⁹ That respondent was Name Withheld 4.

³⁰ That respondent was Name Withheld 5.

³¹ Those respondents were Name Withheld 3, 4, 6 & 8 and [§<].

³² Those respondents were Mr Streeter, Mr Troup, Name Withheld 2 and 7 and [§<].

- 3.17 One respondent³³ suggested removing the link between geographic numbers and location, resulting in numbers being used in a 'UK-wide' manner. The respondent considered that this approach would result in existing numbers being used more efficiently and thereby help to manage demand.

Ofcom's response

- 3.18 In coming to our decision in September 2011 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 closing local dialling across the UK and number change. We took into account stakeholders' responses to the November 2010 consultation,³⁴ two sets of consumer research³⁵ and the views of consumers in local engagement meetings³⁶ in reaching our decision.
- 3.19 We favoured the option that limits the extent of disruption to consumers 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 a number change would generate. The combined measures of closing local dialling followed by overlay codes provide a long-term solution to number demand in an area.
- 3.20 In deciding on closing local dialling as the most appropriate approach to ensuring a continued number supply, we also considered whether it would be appropriate to close local dialling across the UK rather than implement the change on an area code basis as a localised solution to forecast number scarcity. We agree that closing local dialling across the UK would reduce the scope for confusion when people move between areas in which local dialling is provided and those in which it is closed. However, we balanced this against the impact of removing the ability for consumers to make local calls without the area code across the UK. We consider that it would not be proportionate at this time (based on forecasts of number block availability across the UK – see Annex 3) to introduce a UK-wide measure to address localised issues of forecast number scarcity (i.e. closing local dialling is currently required in only six out of 610 area codes). Such a measure would impact on consumers living in areas that would otherwise not require action to increase the supply of geographic numbers for the foreseeable future. Nevertheless, we agree that if the trend for number shortage were to result in many areas in the UK requiring local dialling to be

³³ That respondent was VON.

³⁴ *Geographic telephone numbers: Safeguarding the future of geographic numbers*, consultation published 25 November 2010 ('the November 2010 consultation') available at <http://stakeholders.ofcom.org.uk/consultations/geographic-telephone-numbers/>.

³⁵ Consumer research reports prepared by Futuresight on geographic numbers are *Geographic numbering and local dialling*, published November 2010 ('the 2010 consumer research') available at <http://stakeholders.ofcom.org.uk/binaries/consultations/geographic-numbers/annexes/numberingfuturesight.pdf> and *Geographic Numbering: Summary report of findings*, published 7 September 2011 available at http://stakeholders.ofcom.org.uk/binaries/consultations/safeguarding-geographic-numbers/annexes/Geographic_Numbering_Future.pdf.

³⁶ 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.

closed, it might make sense to consider a UK-wide approach to closing local dialling some time in the future.

- 3.21 We note the respondent's comments on the potential to promote efficient use of geographic numbers by removing the link between area code and location information. However our consumer research³⁷ supports consumers' continued attachment to the location significance provided by a geographic number and we do not plan to hasten its erosion by removing the current area significance of geographic numbers.
- 3.22 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,³⁸ the March 2012 consultation³⁹ and subsequently in our consultations on closing local dialling in Bournemouth and the Five Area Codes. We have considered the issues raised regarding our approach to increasing the supply of numbers in response to those consultations, and our experience of its implementation in Bournemouth on 1 November 2012, and concluded that no new points have been introduced to affect the implementation of our policy in the Five Area Codes.

Modification to the Numbering Plan and the relevant legal tests in the Act

- 3.23 No respondents provided detailed comments on the proposed modification to the Numbering Plan or on our view of how the proposed modification meets the relevant legal tests in section 60(2) of the Act. BT, Vodafone and [redacted] agreed that the proposed modifications meet the relevant legal tests.

Communications plans

- 3.24 BT commented that consideration should be given to the costs CPs could incur due to the number of customers affected by the changes. BT estimated that writing to customers in the Five Area Codes would cost [redacted] and considered there should be scope to contact customers by other means, such as by email. BT said that it would still put in place appropriate measures for vulnerable customers.
- 3.25 We maintain that an effective consumer communications campaign orchestrated by Ofcom and industry is paramount to the smooth implementation of closing local dialling. For Bournemouth, this included direct mailing by CPs to all their affected customers. Research carried out by Ofcom ahead of the change to local dialling in Bournemouth found that consumers considered that CPs' letters to their customers were an important form of communication of the change. We will engage in discussions with CPs following publication of this statement to ensure an effective communications campaign is undertaken.

³⁷ See footnote 35.

³⁸ See Section 4 and Annex 3 of the September 2011 statement and consultation.

³⁹ See paragraphs 3.5 to 3.11 in the March 2012 consultation.

Efficient use of allocated geographic numbers

Stakeholders' comments

- 3.26 Two respondents commented on the related issue of ensuring efficient use of allocated geographic numbers. One respondent⁴⁰ argued that porting of geographic numbers to mobile phones should not be allowed. The respondent also argued for stricter measures on service providers that hold unused numbers.
- 3.27 Another respondent⁴¹ expressed concern that numbers were being allocated by Ofcom to a large number of CPs that he was unaware of, and where, on inspection in his local area, there was no evidence of service provision in the form of directory entries or adverts. The respondent also said that mixed digit length numbers in some area codes restricted the quantity of numbers available.

Ofcom's response

- 3.28 Ofcom has the duty, in carrying out its telephone numbering functions, to secure what appears to it to be the best use is made of telephone numbers and to encourage efficiency and innovation for that purpose.⁴² We encourage innovation and competition as a means of promoting the consumer interest. Services have developed that may result in geographic numbers being used in non-traditional ways, for example the porting of geographic numbers to mobile services and vice versa. This is permissible, provided that the use is in line with the Numbering Plan.
- 3.29 CPs are required, in accordance with General Condition 17, to use their allocated numbers effectively and efficiently. We use a number of administrative measures (e.g. audits of the use of numbers we have allocated) to contribute to assessing whether this obligation is met. We are currently reviewing our administrative processes for allocating geographic numbers and plan to consult on these measures later this year. Our proposals will be designed to strengthen our administrative procedures for the allocation and use of geographic numbers.
- 3.30 We note the comment on mixed digit length numbers in certain area codes and will consider this issue as part of our ongoing management of the UK's telephone numbers.

⁴⁰ That respondent was Name Withheld 3.

⁴¹ That respondent was Name Withheld 1.

⁴² Section 63 of the Act.

Section 4

Summary of our decisions and next steps

Summary of our decisions

- 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. Following that decision, the first area code in which our supplies of geographic numbers approached exhaustion was Bournemouth (01202), where we closed local dialling on 1 November 2012.
- 4.2 We forecast that, unless we take action, we will run out of our available stock of numbers to allocate to CPs in the Five Area Codes during the period July 2015 to October 2016. In the July 2013 consultation we proposed 1 October 2014 as the date for closing local dialling in the Five Area Codes. We considered all responses to the consultation. No significant issues were raised with the proposed date and no new points made to affect our implementation of the policy decision made in September 2011.
- 4.3 We have decided therefore to close local dialling on 1 October 2014 in the Five Area Codes. This means that the ability to dial local numbers without the area code from fixed-line phones will no longer be available in these area codes from that date.

Modification to the Numbering Plan to close local dialling in the Five Area Codes on 1 October 2014

- 4.4 The Numbering Plan contains the following obligations relating to local dialling in 'Part B3: Specific Restrictions on Telephone Numbers':

"B3.1.2 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:

- a. those numbers are National-Dialling-Only Numbers – see B3.1.5 below; or
- b. Calling Parties are dialling from Geographic Numbers with a Geographic Area Code in respect of which Local Dialling has been closed – see B3.1.3 below.

B3.1.3 Local Dialling shall not be provided from Geographic Numbers with a Geographic Area Code listed in the table below, with effect from the date specified.

Geographic Area Code	Effective Date
01202	1 November 2012

”

- 4.5 To give effect to our decision to close local dialling in the Five Area Codes, we are modifying the Numbering Plan to add the 01224, 01273, 01274, 01642 and 01908 area codes to the table in Part B3.1.3, each with an effective date of 1 October 2014. The effect of the modification is to:
- remove the Five Area Codes from the obligation on CPs to provide the local dialling facility to callers in geographic area codes;
 - prevent local dialling from being provided from geographic numbers with the Five Area Codes; and
 - bring the above modifications into effect from 1 October 2014.

Duties and legal tests

- 4.6 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.⁴³ Having taken all the responses to the July 2013 consultation into account, we now set out how we consider our decision to close local dialling on 1 October 2014 in the Five Area Codes is consistent with our duties and meets the relevant legal tests.
- 4.7 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.⁴⁴ In particular, we consider that the decision furthers the interests of citizens in relation to communications matters and consumers in relevant markets by ensuring that sufficient geographic numbers remain available for allocation to CPs in the Five Area Codes, thus facilitating CPs in their provision of communications services to consumers and citizens, and promoting competition and choice for consumers in the areas covered by the Five Area Codes.
- 4.8 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.
- 4.9 We are modifying the Numbering Plan⁴⁵ in order to implement the closing of local dialling in the Five Area Codes on 1 October 2014 (see Annex 5). 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.

⁴³ See paragraphs 4.226 to 4.230 of the September 2011 statement and consultation.

⁴⁴ See Annex 4 for further information on our duties and the legal tests.

⁴⁵ Annex 4 sets out the procedure in the Act for consulting on modifications to the Numbering Plan.

4.10 We consider that the proposals to close local dialling in the Five Area Codes on 1 October 2014 to increase the supply of local numbers would 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*”⁴⁶ 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 number blocks for allocation to CPs in the Five Area Codes we are at risk of running out of numbers to serve the areas covered by the Five Area Codes. 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 canvassed the issues with CPs within the industry group to assist in establishing an appropriate date for consultation and a feasible timescale for implementation. We consider that closing local dialling on 1 October 2014 in the Five Area Codes would not unduly discriminate against any particular groups of stakeholders and responses to the July 2013 consultation confirm this position.

Our approach in implementing number supply measures only in area codes that require more numbers (i.e. the Five Area Codes 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 justified by way of a response to the different situations regarding number availability that prevail in those areas 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 was removed. This may affect consumers differently and the level of impact of removing the local dialling facility may vary across consumer groups. Consumer research conducted in 2010 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.⁴⁷

Closing local dialling may also have a greater impact on older and 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

⁴⁶ Article 10(1) of the Framework Directive.

⁴⁷ The 2010 consumer research. See page 10.

groups of consumers. Ofcom will coordinate 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 principles⁴⁸ 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 modifications to the Numbering Plan in relation to closing local dialling in the Five Area Codes from 1 October 2014 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 will enable the meeting of our objective to ensure that geographic numbers are available in areas when needed and are in line with our stated policy principles and approach on number supply measures as set out in the September 2011 statement and consultation and reflected in Section 2 of this document.

We have consulted CPs on the potential costs and timescales involved in closing local dialling in an area code.⁴⁹ Responses suggested that while these are likely to be determined by the size and type of network employed by the CP and therefore may vary considerably, the costs and timing of implementing closing local dialling 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. We have also consulted with the industry group on the impact of closing local dialling in the Five Area Codes on the same day. CPs consider this approach to be the most cost-effective provided that approximately one year's notice of the change is provided.

- **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 this document we have explained that our forecast predicts that unless action is taken we will run out of blocks of geographic numbers to allocate to CPs in the

⁴⁸ 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.

⁴⁹ 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.

Five Area Codes during the period July 2015 to October 2016. We therefore need to make additional number blocks available in accordance with our decision on how to increase the supply of numbers in four-digit area codes.

4.11 In addition, we consider that our decision to modify the Numbering Plan to close local dialling in the Five Area Codes on 1 October 2014 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 decisions to close local dialling in the Five Area Codes from 1 October 2014 will make between 164,000 and 207,000 additional numbers available for use in each of the Five Area Codes. These numbers are already in existence but are not available for general use while local dialling is permitted. This measure will make best use of currently unusable numbers by making them available to fulfil demand; and
- **encouraging efficiency and innovation**, in that our decisions will make available more numbers in the Five Area Codes in response to our forecast that we will run out of number blocks to allocate to CPs over the next two to three years if we do not take action. The additional supply of numbers in the Five Area Codes will ensure that a lack of numbers does not constrain CP activity or provide a barrier to innovation.

Impact assessment

4.12 Impact assessments form a key part of the policy-making process and provide a transparent way of considering different options for regulation, including not regulating. We expect to carry out impact assessments for the great majority of our policy decisions. The analysis presented throughout this document represents an impact assessment as defined in section 7 of the Act.⁵⁰

Equality impact assessment

4.13 We must also assess the effect of functions, policies, projects and practices on equality in accordance with the Equality Act 2010. Equality impact assessments also assist us in making sure that we are meeting our principal duty of furthering the interests of citizens and consumers. We have therefore also considered what (if any) impact the issues under consideration in this document may have on equality. Where relevant, we have highlighted our consideration of equality issues in the document.

Implementing the closing of local dialling in the Five Area Codes

4.14 We have worked with the industry group to determine the processes for closing local dialling, building on the experience of the Bournemouth change. There are two main areas for consideration – the technical implementation in networks and communication of the change in dialling behaviour to consumers.

CPs' implementation

4.15 CPs must withdraw the provision of local dialling in the Five Area Codes on 1 October 2014. The 'window' during which CPs should make the change to their

⁵⁰ See our guidelines at http://stakeholders.intra.ofcom.local/binaries/consultations/better-policy-making/Better_Policy_Making.pdf.

network to close local dialling is between 00:01 hours and 12:00 hours on 1 October. This allows for CPs that prefer to make the change outside or during office hours.

- 4.16 Once CPs have closed local dialling for their landline customers in the Five Area Codes, 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 area code to redial including the area code. The caller will not be charged for the misdialled call or for connecting to the announcement.
- 4.17 For the Bournemouth change, we worked with the industry group to set out the detailed implementation process for closing local dialling in a framework document that was used as a reference and 'best practice' guide for CPs. We will aim to work with industry to agree and circulate a similar framework document for the Five Area Codes.
- 4.18 We intend that this framework document will provide CPs with the technical details required for closing local dialling and the process for ensuring a coordinated consumer communications campaign. Among other things, the document will include recommended wording for mis-dial announcements, plus the logo and agreed text to be used in consumer communications to ensure consistent messages are provided by the different CPs.

Communications campaign

- 4.19 Closing local dialling requires a change to consumers' dialling behaviour from landlines, in that the whole telephone number must be dialled for every call, including to another number with the same area code. Therefore consumers need to be made aware that a change is forthcoming and of what they need to do to adapt to that change.
- 4.20 As well as changing dialling behaviour, residential and business consumers may need to make other changes. For instance, auto-dial numbers stored in telephones in the local format would need to be reprogrammed. Also, if local numbers in the Five Area Codes 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.
- 4.21 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 Five Area Codes.
- 4.22 Ofcom intends to coordinate a consumer communications campaign to alert the wider community covered by the Five Area Codes of the change to dialling behaviour required. We will define the necessary characteristics of an effective communications campaign and ensure that this is coordinated and delivered in an appropriate and consistent manner to local citizens, taking into account the particular needs of older and vulnerable consumers.
- 4.23 CPs will be responsible for funding and directly communicating the changes to their own customers.

Making the new numbers available for allocation to CPs

- 4.24 Closing local dialling in the Five Area Codes will make numbers in the format [area code] 0XXXXX and [area code] 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,⁵¹ especially where such misdials might result in connection and generate a call charge.

- 4.25 We have decided to first release numbers beginning with [area code] 04XXXX, followed by numbers beginning with [area code] 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'.⁵² The release of [area code] 0XXXXX numbers will, according to our forecast, meet CPs' demand for around five years and will allow consumers time to become accustomed to the change in 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.
- 4.26 Number blocks beginning [area code] 0XXXXX that are available for allocation to CPs will be shown on the numbering database on our website.⁵³ We will make blocks of [area code] 04XXXX numbers available for allocation at the point in time after 1 October 2014 that we approach exhaustion of currently available relevant area code 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

- 4.27 We are likely to need to close local dialling in additional area codes in the future. Our current forecasts (see Annex 3) show that exhaustion of our existing supplies of geographic numbers is likely to occur in additional area codes from 2017 onwards, although our forecasts are subject to change as patterns of demand change over time. If our current forecasts continue to hold, further closure of local dialling is likely to be required by 2017. We will consult on the proposed area codes and date of any such further closures of local dialling, with a view to deciding on the date with sufficient notice.

Further information on closing local dialling in the Five Area Codes

- 4.28 There is an Ofcom webpage providing consumers with more information on the changes to local dialling. This webpage includes answers to frequently asked questions and will be updated with further information as the communications campaign proceeds. The webpage can be accessed at www.ofcom.org.uk/dialthecode.
- 4.29 We also have a dedicated email address for any questions regarding changes to local dialling. This is dialthecode@ofcom.org.uk.

⁵¹ Short codes and routing codes are listed in the Numbering Plan (Part A1 Public Telephone Network Numbers) and in the annex to GC17.

⁵² 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).

⁵³ The National Numbering Scheme database provides a day-to-day record of number block status. It is available on our website at <http://stakeholders.ofcom.org.uk/telecoms/numbering/telephone-noavailability/numbers-administered/>.

Annex 1

Respondents to the July 2013 consultation

- A1.1 We received 20 responses to the July 2013 consultation. Four responses are confidential. The non-confidential responses are available on our website [here](#).
- A1.2 Non-confidential responses were received from the following organisations:
- BT plc (BT)
 - Vodafone
 - The Voice on the Net Coalition Europe (VON)
- A1.3 Non-confidential responses were received from the following individuals:
- Mr Norman Baker MP
 - Mr N Kingsley
 - Mr J Marsh
 - Mr D Streeter
 - Mr A Troup
- A1.4 Eight respondents requested that their names be withheld from publication and are referred to as 'Name Withheld 1' to 'Name Withheld 8'.

Annex 2

Area code maps

A2.1 Figures A2.1 to A2.5 show the Five Area Codes where local dialling will be closed on 1 October 2014 and their surrounding area codes. The surrounding area codes will be unaffected by the change to local dialling.

Figure A2.1 The 01224 Aberdeen area code and surrounding area codes

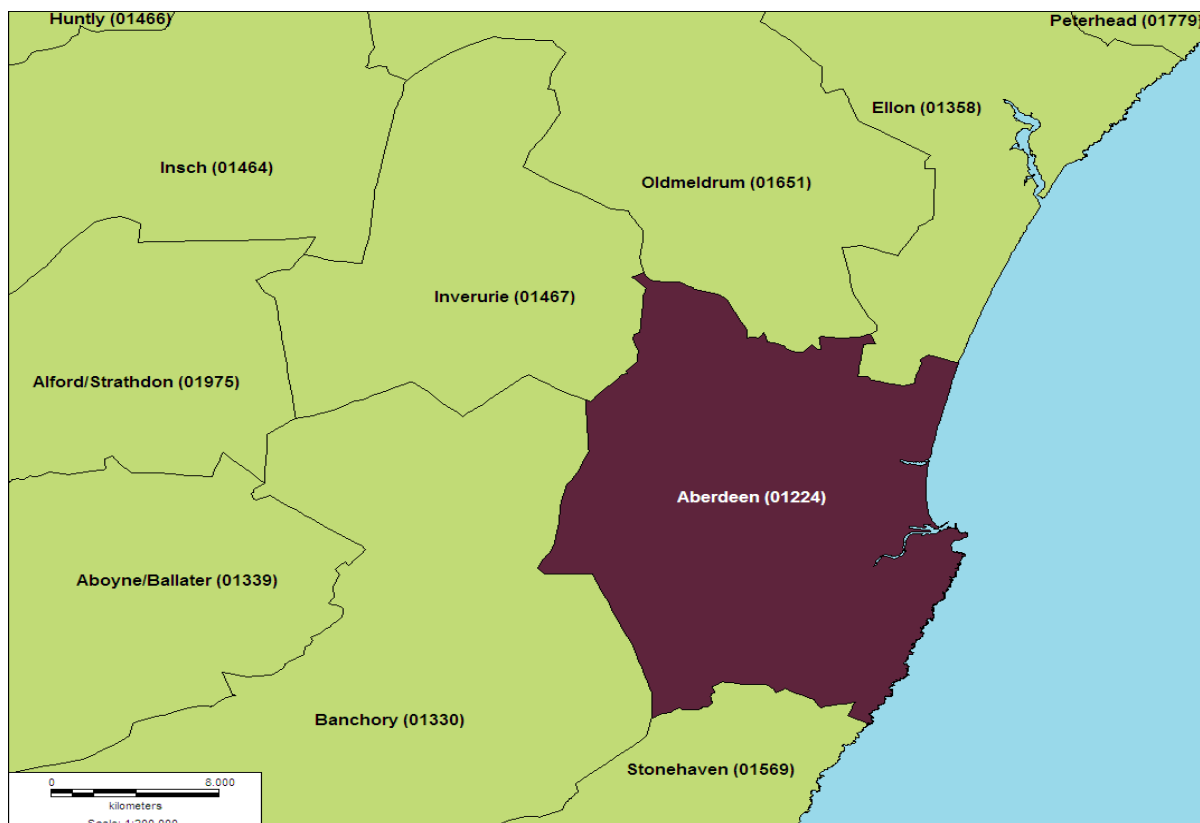


Figure A2.2 The 01274 Bradford area code and surrounding area codes

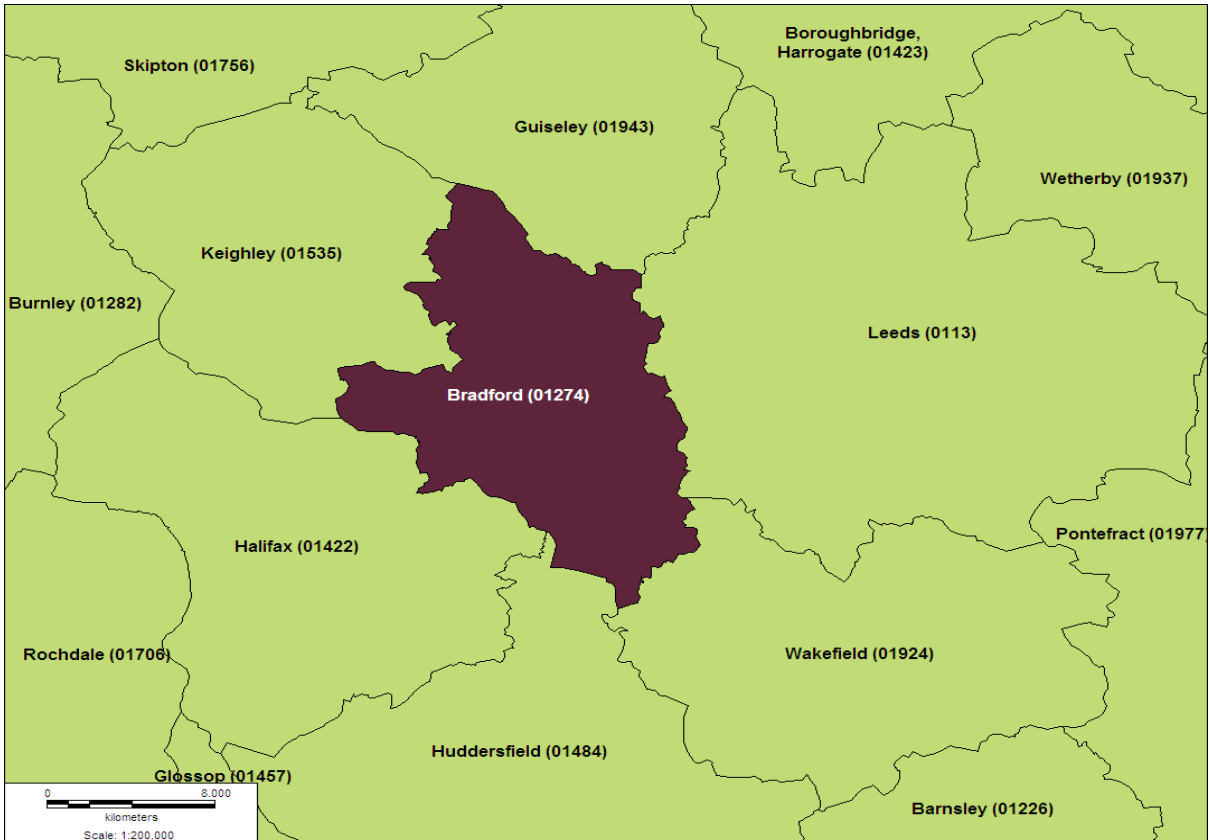


Figure A2.3 The 01273 Brighton area code and surrounding area codes

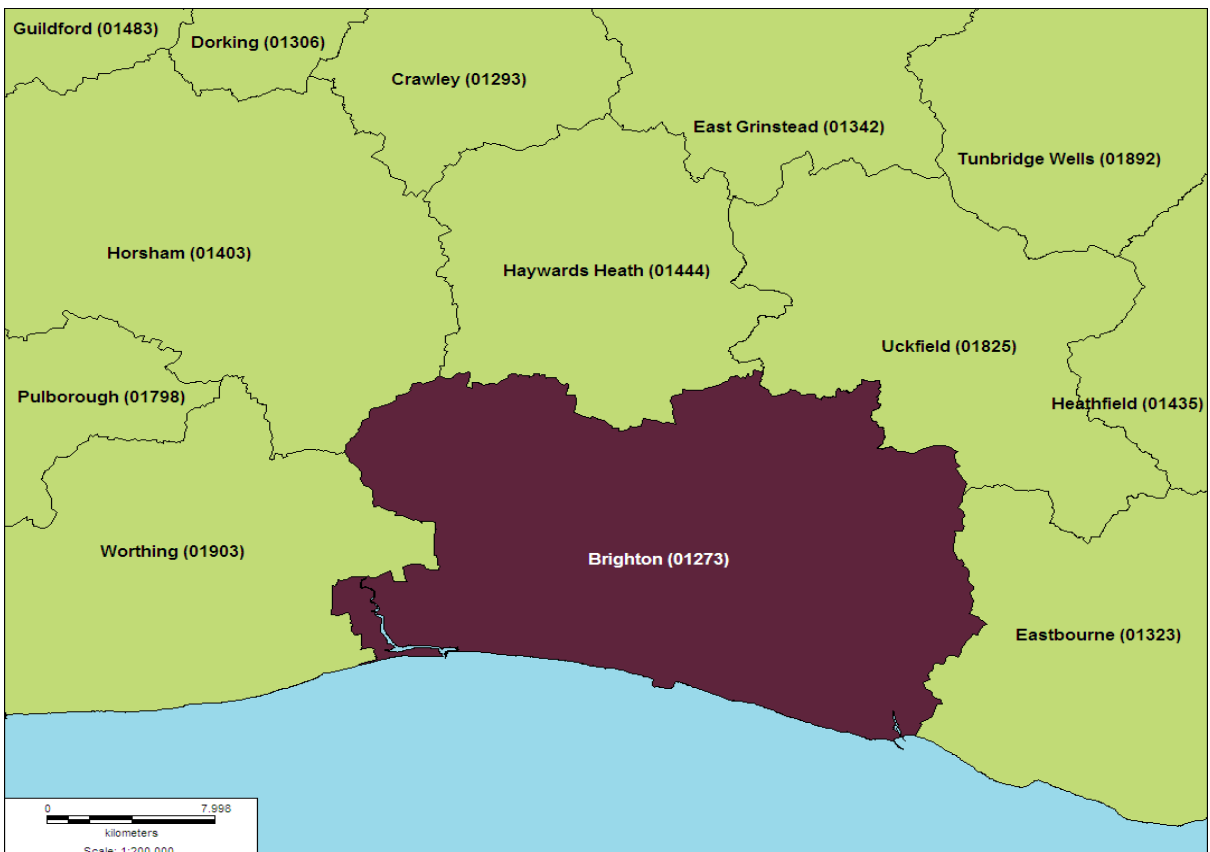


Figure A2.4 The 01642 Middlesbrough area code and surrounding area codes

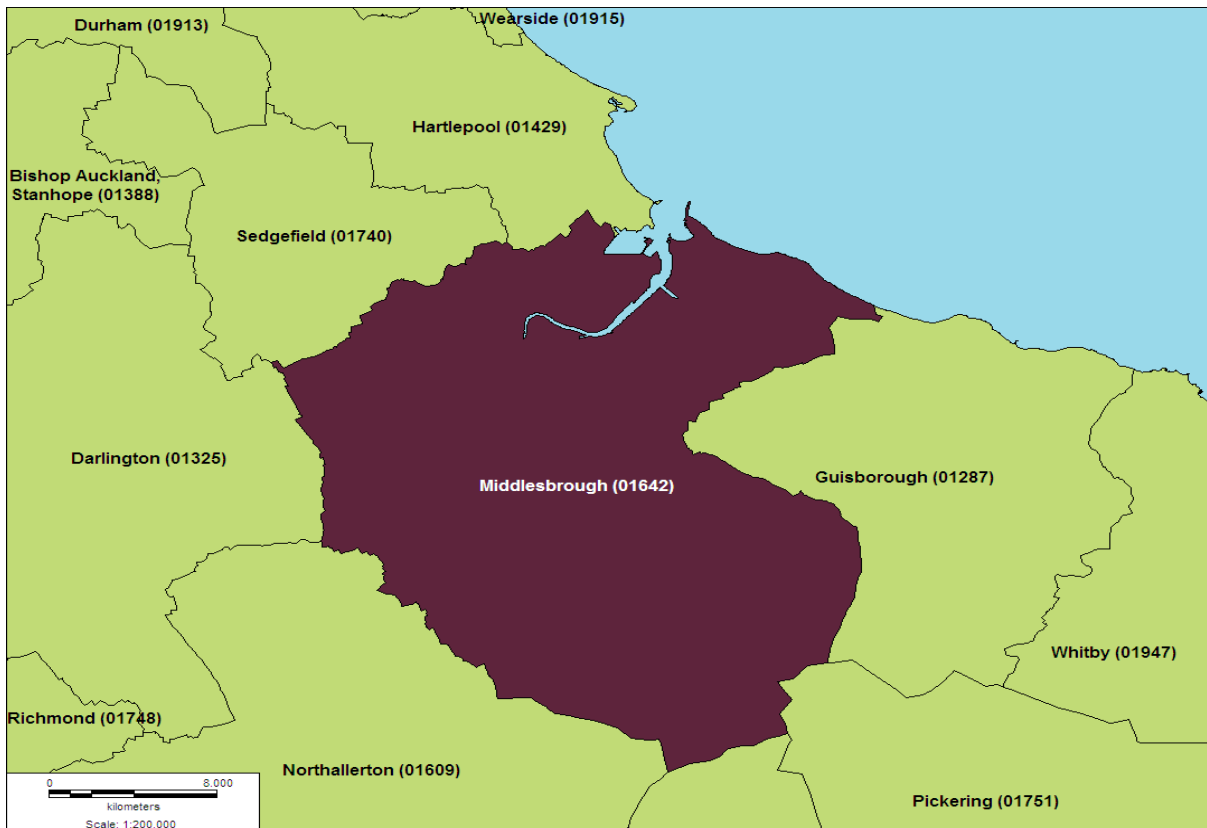
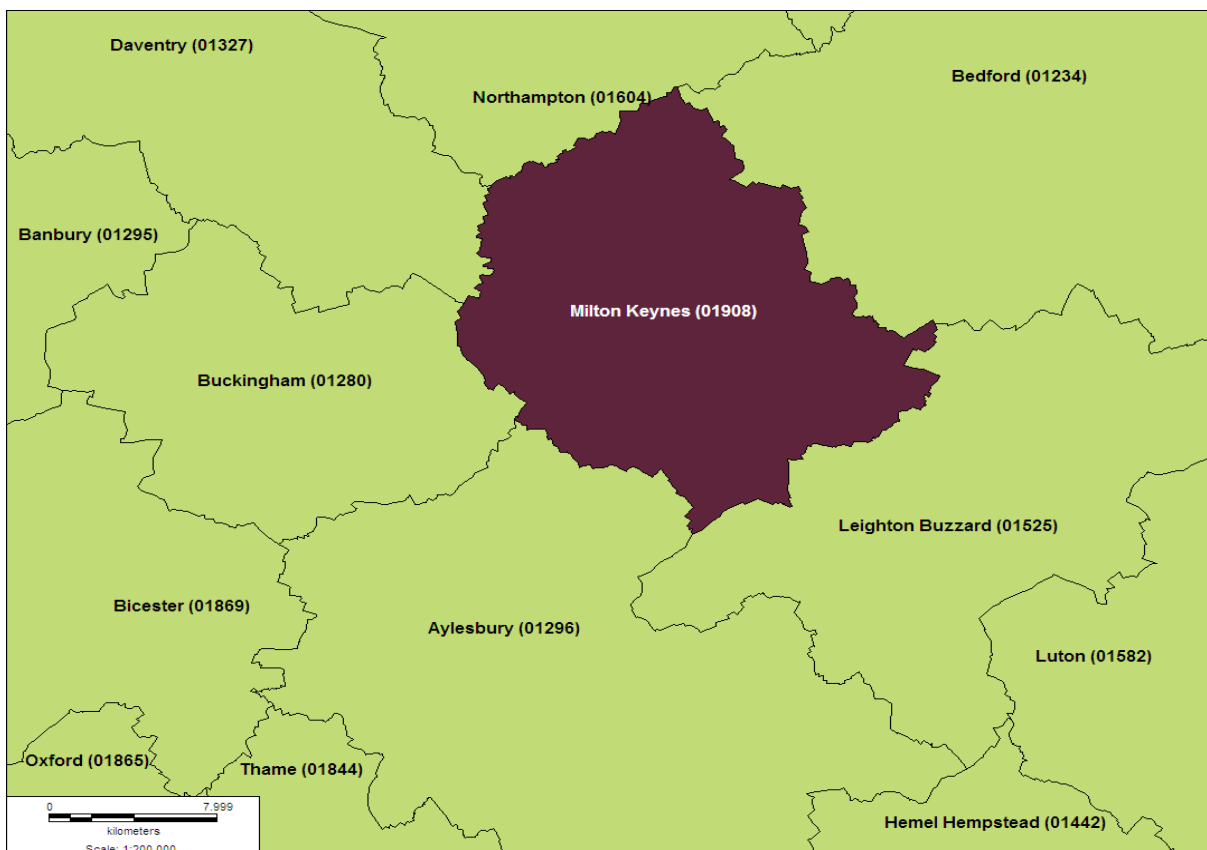
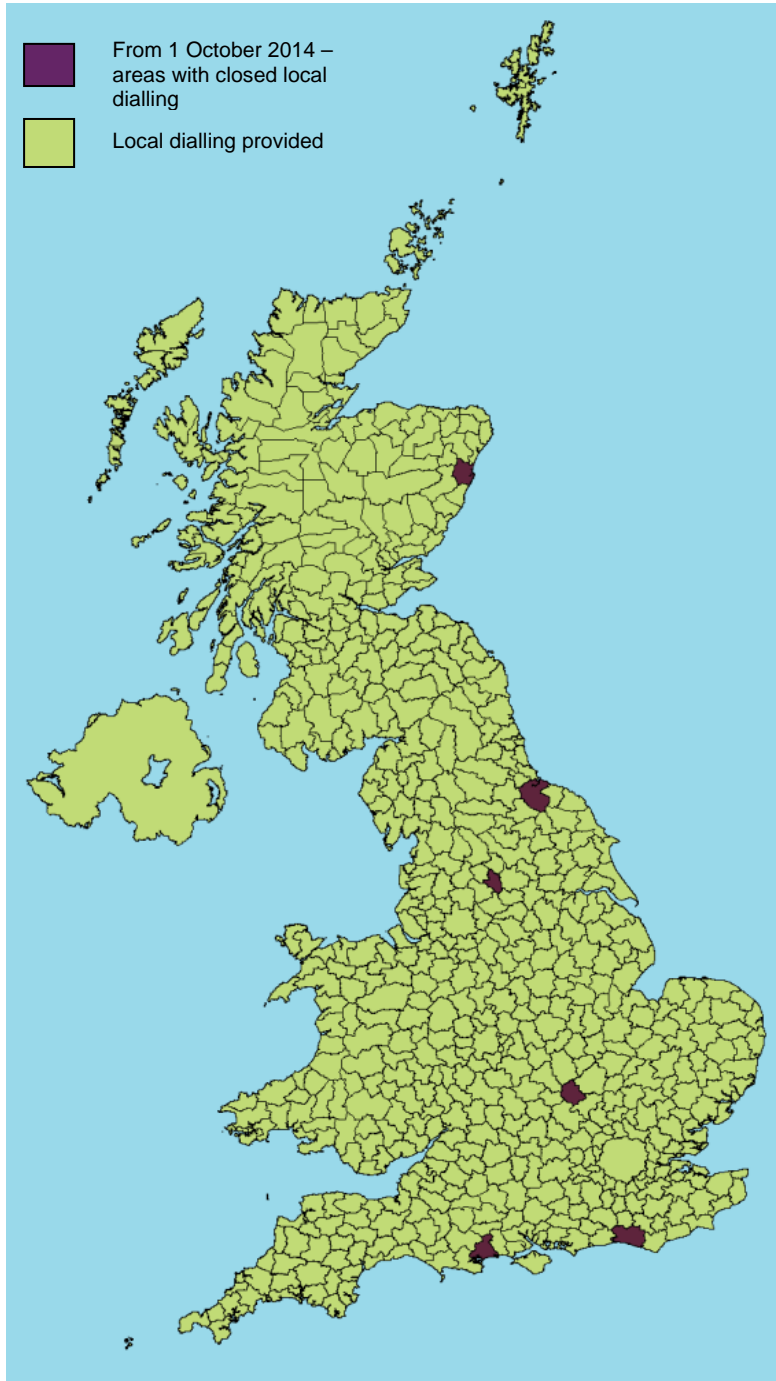


Figure A2.5 The 01908 Milton Keynes area code and surrounding area codes



A2.2 Figure A2.6 below shows the UK area code map highlighting the spread of the six area codes where local dialling without an area code will be unavailable from 1 October 2014. This includes the 01202 Bournemouth area code where local dialling was closed on 1 November 2012.

Figure A2.6 Area codes with closed local dialling from 1 October 2014

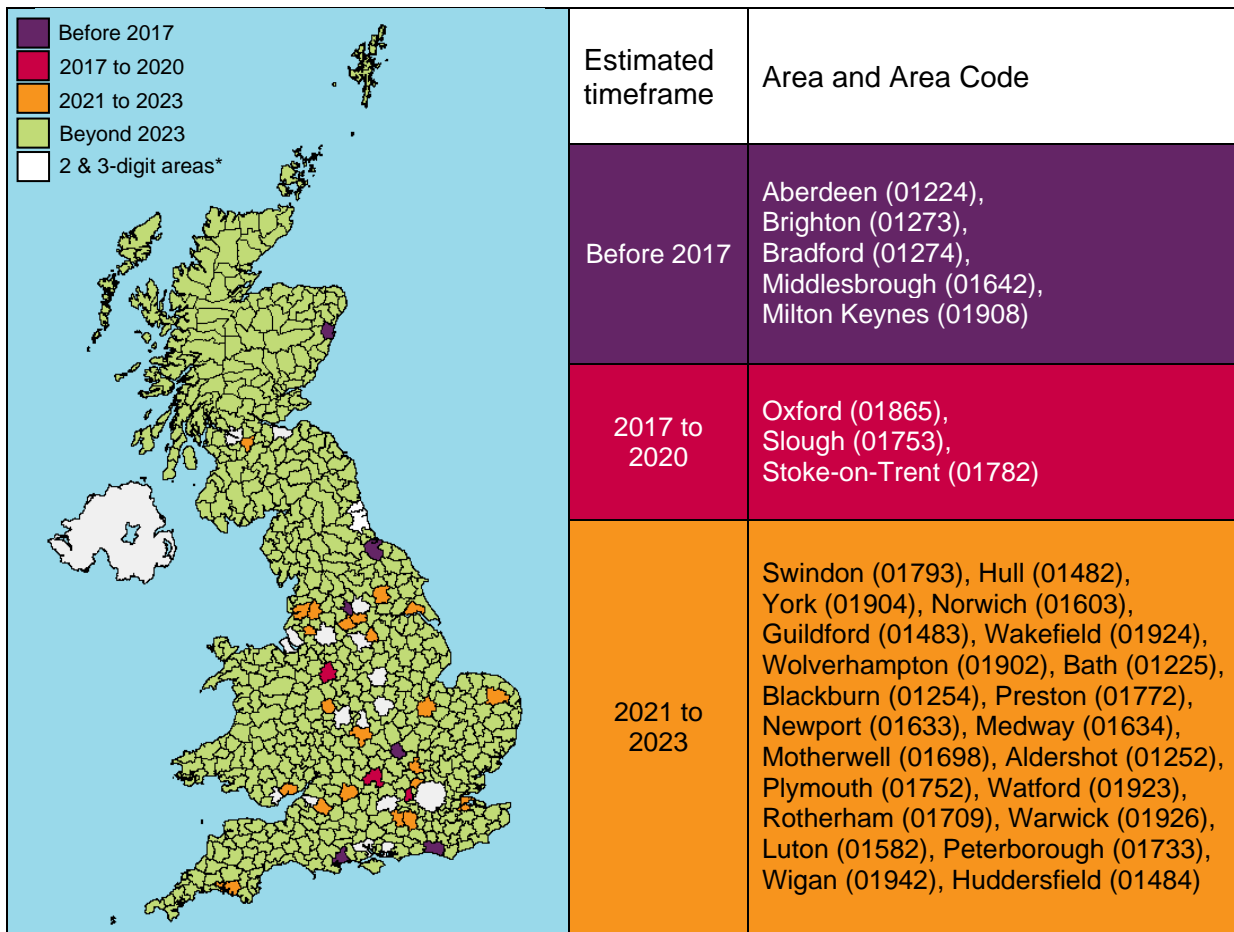


Annex 3

Forecast of number block availability

- A3.1 The forecast in Figure A3.1 is a 'snapshot' of when we predict that we will run out of the supply of number blocks to allocate to CPs, unless we take action, using relevant data as at 12 September 2013. The forecast for each area code will vary 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.
- A3.2 The forecast is based on historical allocation trends during the past three years and is necessarily subject to uncertainties. It does not attempt to quantify the potential effect of the introduction of charging for numbers in a pilot scheme in some area codes (see paragraphs 2.13 to 2.15) or any other potential changes to our administrative processes for allocating geographic numbers.
- A3.3 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.
- A3.4 The specific area codes and timeframe in which number supply measures prove to be necessary over the next ten years may therefore differ significantly from our forecast in Figure A3.1.

Figure A3.1 Areas forecast to run out of their current supply of numbers within the next ten years



*Areas with '0' plus two-digit area codes (such as London '020' and Cardiff '029') and areas with '0' plus three-digit area codes (such as Glasgow '0141' and Nottingham '0115') are not likely to run out of numbers.

Annex 4

Legal framework

A4.1 Ofcom regulates the communications sector under the framework established by the Communication Act 2003 (the 'Act'), which implements the suite of EU Directives known as the EU Common Regulatory Framework. 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 Conditions', 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

A4.2 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

A4.3 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

A4.4 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

A4.5 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.”

A4.6 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.”

A4.7 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 revision or modification is -

- a) objectively justifiable in relation to the matters 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.”

A4.8 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 proposal.”

Annex 5

Modification to the provisions of the National Telephone Numbering Plan under sections 56(2) and 60 of the Communications Act 2003

WHEREAS –

- A) the Condition has effect by reference to 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 in accordance with the requirements, so far as applicable, of section 60 of the Act;
- C) on 19 July 2013 Ofcom published a notification in accordance with section 60(3) of the Act of proposals to modify the provisions of the Numbering Plan ('the Notification');
- D) a copy of the Notification was sent to the Secretary of State;
- E) in the Notification and the accompanying consultation document Ofcom invited representations about any of the proposals therein by 13 September 2013;
- F) by virtue of section 60(5) of the Act, Ofcom may give effect to the proposals set out in the Notification, with or without modification, only if:
 - they have considered every representation about the proposals that is made to them within the period specified in the Notification; 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;
- G) Ofcom received 20 responses to the Notification and have considered every representation made to them in respect of the proposals set out in the Notification and the accompanying consultation document and the Secretary of State has not notified Ofcom of any international obligation of the United Kingdom for this purpose.

THEREFORE –

1. Ofcom, in accordance with sections 56(2) and 60 of the Act, hereby make the modification to the provisions of the Numbering Plan set out in the Schedule to take effect immediately.
2. Ofcom's reasons for making the modification and the effect of the modification are set out in the accompanying statement.
3. Ofcom are satisfied that the modification complies with the requirements of section 60(2) of the Act.

4. In making the modification, Ofcom have considered and acted in accordance with their general duty as to telephone numbering functions in section 63 of the Act, their general duties under section 3 of the Act and the six Community requirements in section 4 of the Act.
5. In this modification-
 - 'Act' means the Communications Act 2003;
 - 'Condition' means General Condition 17 of the General Conditions of Entitlement set by the Director by way of publication of a Notification on 22 July 2003;
 - 'Numbering Plan' means the National Telephone Numbering Plan published from time to time by Ofcom; and
 - 'Ofcom' means the Office of Communications.
6. Except in so far as the context otherwise requires, words or expressions shall have the meaning assigned to them in this modification, 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.
7. The Interpretation Act 1978 shall apply as if this modification were an Act of Parliament.
8. Heading and titles shall be disregarded.

Signed by

Marina Gibbs
Competition Policy Director

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

9 October 2013

Schedule

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

B3.1.3 Local Dialling shall not be provided from Geographic Numbers with a Geographic Area Code listed in the table below, with effect from the date specified.

Geographic Area Code	Effective Date
01202	1 November 2012

B. The deleted text shall be replaced with the following text-

B3.1.3 Local Dialling shall not be provided from Geographic Numbers with a Geographic Area Code listed in the table below, with effect from the date specified.

Geographic Area Code	Effective Date
01202	1 November 2012
01224	1 October 2014
01273	1 October 2014
01274	1 October 2014
01642	1 October 2014
01908	1 October 2014