



Response to Ofcom's Consultation:

## Consultation: Free-to-Caller Wholesale Regulation Review

September 2025

Non-confidential

VodafoneThree welcomes the opportunity to respond to Ofcom's consultation on free-to-caller wholesale regulation. Overall, we believe that the regulatory approach that was established with the previous review has served the market well, and we support Ofcom's proposals.

Question 4.1 Do you agree with our provisional assessment of the results of imposing the access conditions? Please set out your reasons and supporting evidence for your response.

We agree with Ofcom's provisional assessment that the access conditions have delivered meaningful benefits since their introduction in 2013. Freephone services play an important role in UK society, delivering a convenient way of accessing services affordably and confidentially. As Ofcom notes in its consultation, geographic and 03 numbers are now inclusive in all monthly tariffs. This has enabled a migration to 03 for organisations for which it is appropriate, but 080 and 116 numbers very much remain in use - particularly for organisations whose callers are in vulnerable situations. The social benefits of a functioning free-to-caller market are undisputable, and the access conditions support this outcome.

Ofcom's additional intervention in the market in 2014 to bolster the access conditions has also had a positive effect on the market. Regularising origination charges at a 'fair and reasonable' level saved the industry the costs of further disputes, and put in place a basis for a sustainable market for free-to-caller services. Reliable cost recovery for origination services has led to our continued ability to invest in our network. On mobile in particular, since 2014 4G coverage has expanded to over 95% of the country and we are now delivering 5GSA. Soon, Direct-to-Device satellite services will also be available for customers to be able to make phone calls - including 080 and 116 calls - from more places than ever before. A stable regulatory regime that recognises the cost of delivering voice services has facilitated these investments, and if Ofcom were to consider revising their dispute guidance in future, we would be very wary of any requests to lower a cap which was already set below LRIC+ a decade ago.

Question 4.2 Do you agree with our provisional conclusion that it would be necessary to maintain the access conditions to avoid the potential consequences of market failures set out in Section 4? Please set out your reasons and supporting evidence for your response.

We agree that the access conditions remain necessary to ensure continued access to helplines and other essential services. The market dynamics and power imbalances between originators and terminators that Ofcom observed at the time of their introduction have not changed, and are unlikely to change materially in the near future. The access conditions enable a fair and equitable wholesale market which, in turn, supports freephone as a service to consumers and businesses.

Question 5.1 Do you agree with our proposed amendments to the access conditions in Section 5? Please provide reasons for your response and supporting evidence.

We agree with the proposed amendments to update the access conditions.