

Citizens Advice Scotland

Response to Ofcom's Plan of Work 2020-21

Scotland's Citizens Advice Network empowers people in every corner of Scotland through our local bureaux and national services by providing free, confidential, and independent advice. We use people's real life experiences to influence policy and drive positive change. We are on the side of people in Scotland who need help, and we change lives for the better.

Section 1 – Summary

Citizens Advice Scotland (CAS) welcomes the opportunity to respond to Ofcom's proposed Plan of Work 2020-21. CAS actively advocates on behalf of consumers in the postal market, and more recently has begun to engage with issues facing consumers in the telecoms market. As such we are interested in Ofcom's plan of work for 2020-21, and we will continue to proactively engage with Ofcom as part of our work on both these sectors.

Section 2 – Answers to consultation questions

CAS has a number of comments on Ofcom's proposed workplan, as follows:

Telecommunications

- CAS is generally supportive of the intention behind the proposals in section 3.4 to ensure that everyone can access fast and reliable broadband and mobile services regardless of their location. We also welcome Ofcom's recognition that access to mobile and broadband is essential, not just to people but also for businesses.
- CAS would highlight in relation to section 3.6, on launching 5G technology, that there may be a need for further consumer education and awareness raising in relation to 5G technology, and in particular a need to respond to any concerns that citizens may have around where 5G masts are located.
- In terms of section 3.7, on the broadband universal service obligation, and ensuring that consumers in the hardest to reach and most remote locations have access to decent broadband communications, CAS would like clarity on how consumers are going to be made aware of USO and their rights. CAS would be happy to engage further with Ofcom to discuss how CAS may be able to help make consumers aware of the USO via the Citizens Advice Network in Scotland.
- In relation to the treatment of vulnerable customers (section 3.9) CAS is supportive of Ofcom's proposals to ensure service providers are including and supporting vulnerable customers in the way they deliver their services¹. CAS also welcomes the commitment from Ofcom on introducing a social tariff. Given the issues which the Citizens Advice

¹ https://www.cas.org.uk/system/files/publications/citizens_advice_scotland_response_-_ofcom_consultaion_on_treating_vulner.pdf

Network advises consumers on in Scotland, CAS would be interested in engaging further with Ofcom on the issue of social tariffs to ensure any design and implementation is based on, and meets the needs of, those that this tariff is intended to benefit.

- In terms of the section on “Making data work for consumers”, CAS welcomes what Ofcom seeks to achieve with the Open Communications initiative. However, we would seek assurances that the data is easily accessible and usable for consumers and that consumers are empowered to understand the terminology around tariffs and data usage. This will result in consumers being able to engage with their data more meaningfully and effectively.
- CAS are supportive of the points highlighted in section 3.10. We welcome Ofcom’s proposed plans for implementing the end-user rights section of the European Electronic Communications Code. We further welcome Ofcom’s proposed changes to their regulatory rules, specifically regarding the accessibility of consumer information for disabled consumers, with these consumers being entitled to their own choice of communication channels with providers.
- With specific regard to helping consumers with handset charges, CAS welcomes Ofcom’s continued plans to work towards ensuring fairer and more transparent prices for consumers purchasing mobile handset contracts. CAS understands that the mobile market can be difficult for some consumers to navigate and greater transparency of handset contracts could assist consumers in their navigation of this market. For example, in 2019 CAS commissioned YouGov to conduct research into consumer attitudes. In a survey of 2002 Scottish adults with a mobile phone, it was found that 14% of respondents stated that the current costs of their mobile phone were not affordable in relation to their current personal income.
- In terms of section 4 (maintaining effective communications networks) CAS are broadly supportive of Ofcom’s proposed work in this section.
- CAS welcomes Ofcom’s proposals in section 4.3 to work with providers to ensure that any issues posed by the migration towards digital line are identified. However, we would ask that consideration be given to channel choice, in particular for consumers who require consistent access to a telephone connection for health reasons. We understand that for consumers in more rural areas of Scotland, this migration may have a detrimental impact if issues of connectivity are not addressed prior to the migration. We understand that Ofcom and others are undertaking significant work to address issues of connectivity in rural Scotland, however we would argue that consumers who may be impacted by this should have an active say and choice over the new channel of delivery².
- Citizens Advice Scotland is a leading advocate for consumer interests, utilising a wide evidence base to inform policy and decision makers. As such we welcome Ofcom’s proposals to continue to engage with consumer groups. The Citizens Advice Network in Scotland is ideally placed to draw upon consumers’ experiences and place their interests

² All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2078 adults. Fieldwork was undertaken between 12 and 23 March 2019. The survey was carried out online. The figures have been weighted and are representative of all Scottish adults (aged 18+).

at the heart of policy debates. We look forward to our continued engagement with Ofcom and its Communications Consumer Panel.

- In relation to section 5, CAS is generally supportive of this in terms of delivering good outcomes for consumers across the UK. However, CAS would highlight the circumstances facing customers in rural areas of Scotland, and in particular the Highlands and Islands, where there can be challenging circumstances that may impact upon customer satisfaction. As such, individual consumers and Small and Medium Enterprises (SMEs) in the Highlands and Islands of Scotland may benefit from specific customer satisfaction measurements. CAS has conducted research concerning SMEs in the Highlands and Islands and their experiences of broadband connectivity. One third of respondents had broadband of poor or variable quality. By comparison, only 9% of Scottish SMEs located within urban areas experience poor broadband connection.³
- We are aware of Ofcom's ongoing work to deliver reliable and strong broadband and mobile connectivity to consumers in the Highlands and Islands. However, as noted, we feel that it would benefit consumers in these areas to have their own measurements of customer satisfaction. This would afford them a clearer choice of provider while also incentivising providers to ensure that their services are of the highest standard.
- With regards to the proposals marked under "Fairness for Customers", CAS are supportive of Ofcom's planned work and the monitoring of out-of-contract customers and the proportion of people who have difficulties in affording communications services.
- CAS recognises the increasing importance of telecommunications within the infrastructure of the United Kingdom, as day-to-day consumer activities are becoming reliant upon telecommunications services. It is therefore essential that telecommunications are both affordable and accessible for consumers. As previously stated, CAS research showed 14% of Scottish adults with a mobile phone felt that their mobile phone costs were not affordable in comparison to their personal income.⁴ CAS are also aware of consumer detriment with regards to broadband affordability, which is a particular concern for consumers who also receive a form of welfare. Citizens Advice Bureaux across Scotland regularly assist clients who experience detriment with regards to broadband affordability. For example, see the case below:

"A North of Scotland Bureau reports a client facing financial hardship as a result of taking out a home broadband contract in order to update her Universal Credit claim. The client needs constant access to the internet in order for the claim to be maintained."

- For recipients of welfare, access to affordable internet services is essential for their daily lives. Ofcom's proposed measurement of consumers who have difficulty in affording communication services is therefore something that is supported and encouraged by CAS.

³ https://www.cas.org.uk/system/files/publications/delivering_for_business_-_scottish_smes_use_of_postal_services.pdf

⁴ See footnote 2.

Post

- CAS notes Ofcom's commitment to a range of postal service issues, including their ongoing work on sustaining the universal postal service outlined in section 3.3. We will continue to work constructively with Ofcom to ensure that Scottish postal consumers get the best possible service.
- CAS acknowledges and shares broad concerns about maintaining quality of service given increasing parcel delivery and declining letter delivery rates highlighted in section 2.14, leading to a greater prevalence of multiparty service arrangements and issues such as surcharging.
- CAS welcomes Ofcom's three specific work commitments connected to ensuring the universal postal service in section 3.17 and we look forward to reviewing Ofcom's published findings, due later this year, on whether the current postal services market is meeting user needs.
- CAS notes that Ofcom will continue to monitor Royal Mail's performance and consumers' experiences in the postal sector on an annual basis.
- CAS notes that Ofcom is commencing a longer-term review of their postal regulatory framework (due to be updated in 2022) following on from preparatory work undertaken in 2019-20. We look forward to seeing whether additional consumer protections are needed in the parcels market, given concerns around the nature of multi-party service offers in the online parcels market.