Good practice guide to help prevent misuse of sub-allocated and assigned numbers

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Non-confidential version

1. Executive Summary

1.1. BT welcomes the opportunity to contribute to Ofcom's consultation on preventing the misuse of sub-allocated and assigned numbers. This initiative clearly sits alongside a number of other workstreams within Ofcom; the intent of which is to minimise the risk of end users being the victims of fraud. In that spirit, we support the ambition of the Good practice guide as combatting scams and fraud is a priority area for BT.

1.2. We set out in our response to Ofcom's parallel consultation on Improving CLI data some of the key measures we are taking to protect our customers from scammers and spammers.

1.3. Much of what Ofcom is proposing in this consultation are measures which BT is already taking. There are, however, some proposals here that would be difficult or impractical to follow. In other areas, it would be more appropriate for Ofcom provide guidance to the customer and not the communications provider. Other proposals relating to reassessing risk are unclear to us and Ofcom will need to give further clarity as to what its expectations are.

1.4. As a general principle, we support an approach where Ofcom sets out broad principles but leaves details of how these are implemented to the discretion of each communication provider.

1.5. More broadly, there are instances in the consultation where we consider that:

- It is unclear to what extent some proposals will secure the goal of preventing misuse of sub-allocated and/or assigned numbers;

- Some proposals would require a level of administrative burden that would be unreasonable for us; and

- If there is an expectation that these checks would be retrospectively apply these checks on existing customers, this would similarly represent an unreasonable burden on us.

1.6. We set out below where these observations apply. In the meantime, we remain committed to engaging constructively with Ofcom, government and industry on the wider efforts to prevent fraud in our sectors.

2. Responses to questions

Questions 1&2: Do you have any comments about the suggested measures set out in section 3? And have you used any other due diligence checks that you think would be beneficial if adopted across industry?

2.1. Many of the measures set out by Ofcom seem very difficult for a communications provider to implement as they would require significant resource dedication. Moreover, we have long-standing relationships with many customers and do not consider that there should be any need for retrospective checks on these where there has been no evidence of misuse of allocated numbers in the past.

2.2. That being said, there are several areas where the broad intent of what is being proposed is already part of our established due diligence processes. For example, BT's commercial team conduct what we refer to as "know your customer" checks as part of the onboarding of new customers. These checks are carried out on all products and includes checks on IP addresses and verifications of postcodes for all accounts. In terms of allocated numbers, our BT sales teams also check with customers on the intended use of the number.

2.3. In terms of the details of the proposals, Ofcom sets out what it sees as risk factors that it suggests should be monitored. However, we are unclear that some of these do represent increased risk in reality. In particular:

- Where a business does not use a UK IP address but does carry out business in the UK. Often, customers have infrastructure outside of the UK, meaning that non-UK IP addresses are not unusual;

- The suggestion that a scammer would be more likely to sign up businesses outside of core business hours. Again, this is something we do not believe to be unusual as we allow our customers to configure their services (number porting) outside of business hours; and

- The suggestion that customers using the same e-mail address for multiple accounts is a cause for concern. We do not see this as unusual behaviour as our customer have single email addresses used by multiple accounts in the customer's domain.

2.4. We recognise Ofcom's concern on customers being allocated more numbers than they presently intend to use. However, Customers do often request spare numbers for allocation which they will eventually sub-allocate. This is typical practice and may be the most time efficient way for them to do this work. However, data on the use of numbers is not stored on our systems and we believe it would be too disproportionate from a resourcing perspective. We do record, however, company information such as addresses for SIP services.

Questions 3&4: Do you have any comments on the suggested measures set out in section 4? And, have you used any other on-going checks to ensure compliance that you think would be beneficial if adopted across industry?

2.5.   Appropriate guidance for contractual controls should be provided by Ofcom to business customers on sub-allocation. This means that the obligation should be on the user of the number, not the communications provider.

2.6.   On the 'reassessing risk' section of the guidance, we require further clarity on how testing will be implemented by communications providers or their customers and where responsibilities lie.

2.7.   Under the 'addressing non-compliance section', we currently monitor services for fraud to avoid commercial exposure and provide good customer experience. We also already have processes in place to investigate and resolve any suspected misuse. As we note above, business customers should also take appropriate action when they suspect misuse within their organisation.