### Title:

Mrs

### Forename:

Miranda

#### Surname:

King

### **Representing:**

Organisation

### Organisation (if applicable):

LACORS

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### What do you want Ofcom to keep confidential?:

Keep nothing confidential

### If you want part of your response kept confidential, which parts?:

### Ofcom may publish a response summary:

Yes

### I confirm that I have read the declaration:

Yes

### Of com should only publish this response after the consultation has ended:

You may publish my response on receipt

### **Comments:**

Thank you for giving us the opportunity to comment on your consultation paper on misselling of fixed-line telecommunications services.

Introduction

LACORS is the Local Authorities Coordinators of Regulatory Services. It aims to promote and support quality regulation and related local authority services across the UK. LACORS? aims and objectives include providing advice and guidance to local authorities in the development and dissemination of good practice, supporting and promoting effective coordination, consistency, co-operation and collaborative arrangements between local authorities.

LACORS? current portfolio of local authority services encompasses: trading standards, animal health and welfare, food safety, product safety, alcohol and public entertainment licensing, gambling reform, civil registration services, health and safety, environmental protection and the rented housing sector.

LACORS sought the views of local authority trading standards services in order to help us to formally respond on behalf of local authorities to this consultation paper.

In response to your questions LACORS has the following comments:

# Question 1: Based on our analysis of Ofcom?s mis-selling complaints data, do you agree that further improvements are achievable, and that both absolute and relative numbers of mis-selling incidences can be reduced?Please provide an explanation to support your response.:

LACORS believe that further improvement is possible, and that absolute and relative numbers of mis-selling incidences can be reduced. More consistent record keeping of amongst other things Cancel Other requests, and the name of the salesperson(s) involved would enable complaints of mis-selling to be dealt with both by the CP and by Ofcom. CPs may be saying one thing in their company literature, yet acting in an entirely different way as their calls show when they are able to be accessed by trading standards and Ofcom.

# Question 2: Based on our experience of our enforcement activities, do you agree that the regulations should be further strengthened in order to better meet Ofcom?s policy objectives and aims? Please provide an explanation to support your response.:

LACORS believes that the Regulations should legislate for better record-keeping for the reasons highlighted in the answer to Question 1. Cancel Other should be used in a more consistent way.

Question 3: What are your views on appropriate implementation periods for each of the proposed measures we are consulting on as set out in sections, 5, 6, 7 and 8? Please provide an explanation to support your response.:

LACORS believes that 12 months would be a reasonable timeframe for implementation.

Question 4: To what extent do you consider our assessment of the potential costs and benefits outlined in the IA at Annex 5 is dependent on the implementation periods for each of the proposed measures we are consulting

### on as set out in sections, 5, 6, 7 and 8? Please provide an explanation to support your response:

LACORS is not in a position to answer this question.

Question 5: Do you agree that it is appropriate to modify, or remove, the July 2005 Cancel Other Direction (or any provision saving in effect this Direction) so that any changes take effect before the end of the implementation period for modifications to the General Conditions?Please provide an explanation to support your response.:

LACORS is not in a position to answer this question.

Question 6: Do you agree with our preferred option on clarifying and simplifying the regulations, namely that we should:(i)improve clarity of the regulations by redrafting in order to aid understanding and(ii)simplify the regulations by moving away from a code of practice (process-based) approach to an outcome driven approach based on absolute prohibitions of mis-selling? Please provide an explanation to support your response.:

LACORS would welcome clarification of the regulations, and would also welcome definition of those practices which are banned outright, perhaps adding to schedule 1 of the Consumer Protection from Unfair Trading Regulations 2008.

## Question 7: Do you consider there are other parts of the existing GC14.5 obligations where we could clarify and simplify the regulations, but have not proposed to do so? If so, please explain and set out the reasons for this.:

LACORS has no comment on this question.

### Question 8: Do you agree with our preferred option to provide better information to consumers on the potential consequences of switching? Please provide an explanation to support your response:

LACORS agrees that consumers should be given better awareness of the potential consequences and risks of switching. Their current provider should let them know if there will be a cost before their phone line is cancelled, and they should then be able to cancel the switch via the current provider without having to go back to the proposed new provider.

### Question 9: Do you agree that Cancel Other should primarily only be permitted for reasons of slamming, as defined by Ofcom, or are there other circumstances where you feel use of Cancel Other should be permissible? :

LACORS feels that if the consumer is going to be charged for leaving their current provider, and asks their current provider to cancel, then the Cancel Other provision could be used. WIth reference to the doorstep and distance selling Regulations.

Question 10: Do you have any other suggestions for improvements to the reliability of the Cancel Other data and, in particular, the existing reason codes? :

LACORS has no comment on this question.

Question 11: Do you agree with Ofcom?s proposals not to transpose information sharing obligations relating to use of Cancel Other as part of the proposed new General Condition? Please provide an explanation to support your response. :

LACORS has no comment on this question.

### Question 12: Do you agree with our preferred option on record keeping for sales? Please provide an explanation to support your response.:

LACORS supports option 4 (iii). LACORS would welcome recordings of all calls for sales and subsequent calls, so that disputes can be resolved quickly.

### Question 13: Do you agree with our preferred option on record keeping where Cancel Other is used? Please provide an explanation to support your response.:

LACORS supports option 3 (iii). LACORS feels that keeping 100% of calls relating to this issue is the only option which truly supports consumers.

## Question 14: What are your views in relation to consideration of other options described in section 9? Please provide an explanation to support your response.:

LACORS believes that the higher the percentage level of call recording, the fairer for all CPs and consumers.

## Question A5.1: Do you agree with our assessment of the likely magnitude of the costs and benefits of our preferred option? If not, please provide an explanation and evidence to support your response.:

LACORS is not in a position to answer this question.

Question A5.2: To what extent is it possible to assess the impact that this option might have on the current level of mis-selling in its own right? Please provide an explanation and evidence to support your response.:

LACORS is not in a position to answer this question.

Question A5.3: Do you agree with our assessment of the likely magnitude of the costs and benefits of our preferred option? Please provide an explanation and evidence to support your response.:

LACORS is not in a position to answer this question.

Question A5.4: Do you agree with our assessment of the likely magnitude of the costs and benefits of our preferred option? Please provide an explanation and evidence to support your response.:

LACORS is not in a position to answer this question.

Question A5.5: Do you agree that this option will not result in incremental costs to CPs? Please provide an explanation and evidence to support your response.:

LACORS is not in a position to answer this question.

Question A5.6: Do you agree with this proposal in the light of the NPV estimate? Please provide an explanation and evidence to support your response.:

LACORS is not in a position to answer this question.

Question A5.7: Do you agree that orders are an appropriate proxy for sales? Please provide an explanation and evidence to support your response.:

LACORS is not in a position to answer this question.

Question A5.8: Do you agree with our assumption that volume of sales is a key driver of costs? If not, please provide an explanation and evidence to support your response.:

LACORS is not in a position to answer this question.

Question A5.9: Do you agree that it is reasonable to use a 5-year time period for our NPV analysis? Please provide an explanation and evidence to support your response. :

LACORS is not in a position to answer this question.

Question A5.10: Do you consider that costs attributed to changing sales scripts are likely to be one-off in nature? Please provide an explanation and evidence to support your response. :

LACORS is not in a position to answer this question.

Question A5.11: Do you consider that the options to clarify and simplify the existing regulations and to provide information at the point of sales would each reduce levels of mis-selling by around 1 percent per annum? Please provide an explanation and evidence to support any alternative assumptions. :

LACORS is not in a position to answer this question.

Question A5.12: Do you consider that the options on call recording for telesales and Cancel Other could reduce mis-selling and Cancel Other requests by 30% in Year 1 and by 50% in Year 2? Please provide an explanation and evidence to support any alternative assumptions.:

LACORS is not in a position to answer this question.

Question A5.13: Do you agree that it is reasonable to assume that adding such a sales prompt would increase the call length by an additional 20 seconds? Please provide an explanation and evidence to support your response. :

LACORS is not in a position to answer this question.

Question A5.14: Do you feel these assumptions are appropriate? If not, please provide an explanation and evidence to support any alternative assumptions.:

LACORS is not in a position to answer this question.

Question A5.15: Do you agree that these other indirect costs are not significant? If not, please provide an explanation and evidence to support your response. :

LACORS is not in a position to answer this question.

Question A5.16: Do you consider that one-off incremental costs per sale of  $\pounds$ 4.4 and ongoing incremental costs per sale of  $\pounds$ 0.6 are reasonable assumptions for the rest of the industry? Please provide an explanation and evidence to support any alternative assumptions.:

LACORS is not in a position to answer this question.

Question A5.17: Do you agree that this option will not result in incremental costs to CPs? If not, please provide an explanation and evidence to support your response. :

LACORS is not in a position to answer this question.

Question A5.18: Do you consider that these estimates are reasonable? If not, please provide an explanation and evidence to support your response. :

LACORS is not in a position to answer this question.