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Hospedia Limited

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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

Ofcom should only publish this response after the consultation has ended:

You may publish my response on receipt

Question 1: Do you agree with our analysis of consumer detriment on the 070 number range?:

Yes, the modest impact of confusion between 070 numbers and mobile numbers is clear from the conclusion in 3.49 "... overall size of detriment is likely to be small. For

example, it appears that there is no significant confusion between 070 and mobile numbers; that despite the opacity of the market consumers are able to predict, relatively accurately, the average cost of an 070 call; and that a fall in AIT traffic and complaints signals that the number of scams is falling."

This is amply supported by the analysis in the document in 3.18 that only 16% of users identified 070 numbers as mobiles and 3.32 Consumers have "reasonably accurate perceptions of price".

Question 2: Do you agree that the costs outweigh the benefits in relation to closing the 070 number range and migrating users to an alternative range?:

Yes. Costs as shown in the analysis are high estimated to total over £4.1m (Fig 4.1) excluding costs to Originating Communications Providers (OCP's) which "could be substantial". Hospedia operates 155 sites and 49 "points of presence" and would be especially concerned over costs of reconfiguration of switches and upgrades to software and billing systems. Additional significant costs would be incurred both in the re-creation of marketing materials for all sites and in the education of patients and friends and family who use Hospedia services as well as over eight hundred staff.

Separately improvements in consumers ability to estimate the cost of calls to 070 numbers noted in the consultation document would be undermined in the event that all or part of the services migrate to a new range. This would have the potential to lead to sub optimal use of migrated number ranges as consumers faced a period of confusion and uncertainty further compounded by corporate switchboard equipment restricting calls to an unrecognised range and overseas national telecommunications companies, (such as France Telecom. etc.) having no obligation to recognise and accommodate traffic through a new and unfamiliar numbering range.

Question 3: Do you agree that Ofcom should keep the 070 range open and monitor the market in light of enforcement action by PhonepayPlus?:

Yes. The evidence is that consumers are now better able to estimate the cost of calls to 070 numbers, and that the number and value of scams has been reduced by more than 90%, based on the reduction in reported artificially inflated traffic (AIT), in the 18-month period from December 2006 to June 2008. The proposal to require Personal Numbering Services (PNS) providers to carry out due diligence should of itself have potential to deter some applicants whose intended use of 070 numbers is not legitimate.

In addition the very significant reduction in the volume of AIT indicates that current monitoring and enforcement are effectively tackling the number of scams.

Question 4: Do you agree that Ofcom should require OCPs to give greater prominence to the cost of calling 070 numbers in published price lists and promotional material?:

Yes. What is not perhaps given sufficient prominence in the consultation document is the fact that it is not confusion between 070 and mobile numbers which gives rise to disadvantage, but the wide range, and in some cases excessive charging by OCP's to access 070 numbers. The difference in OCP charges is retained by the OCP yet the PNS user can become associated in the consumers mind with the charge rather than the OCP.

Hospedia supports transparency in PNS pricing, announces call cost as part of every call and has a stated aim of working to reshape its business to allow reductions in charges for calls to its allocated PNS number ranges.

Question 5: Do you agree that Ofcom should amend its guidance to ensure that PNS providers carry out appropriate due diligence of sub-allocatees of personal numbers?:

Yes. As noted above the existence of a due diligence requirement alone will deter some. In addition, to encourage effective due diligence, PNS providers should perhaps be at risk of bearing some responsibility for the inappropriate use of personal numbers to the extent that they were either negligent, indifferent or complicit in the use or allocation of the numbers.

Question 6: Do you agree that Ofcom should not bar the presentation of 070 CLI? Please provide evidence to support your response:

Yes. Presentation of Calling Line Identity (CLI) allows the caller to be identified. While call backs were an element of some scams these have been significantly reduced through improving consumer awareness and effective enforcement. The 070 number range has also been used for other types of scam including representing the caller as located in the UK by association with the +44 country code to disguise the true location of the call destination.

Call back scams are best reduced through better education and enforcement. The evidence in the consultation document is that this approach has been successful. Misrepresentation scams are best reduced through due diligence in number allocation and fear of apprehension. Suppressing CLI would remove risk from both the PNS provider and the scammer. This would not be appropriate.

Question 7: Should services provided by, for example, Hospedia, Premier Telesolutions and Trader Media be provided on an alternative number range to 070? Please provide any evidence to support your views.:

Not for numbers allocated to Hospedia.

FOLLOW ME CHARACTERISTIC

The Hospedia use of 070 numbers provides ?follow me? elements of the convenience of PNS. In any year Hospedia has 070 numbers available for over 26 million patient location days affording access for over 8.7m patient admissions across the NHS assuming a typical average patient length of stay of 3 days. Hospedia users can take

their number with them as they follow their patient journey, which means that they can be reached even if those wishing to contact them are not aware or cannot be told they have moved. This portability covers transfers between beds, departments, wards and multiple admissions. For each move and for each readmission patients can retain their allocated number. In this sense the benefits of the follow me nature of PNS numbering is retained and delivered for users of Hospedia bedside communications and entertainment services.

Transfer to an unfamiliar number range with resultant uncertainty and access restrictions has the potential to disrupt this established and valued service and create a good deal of concern and distress for of users, families and friends numbered in their millions.

IMPACT ON ACCESS TO OVERSEAS CALLERS

Any change in the number ranges made available to Hospedia has the potential to restrict access to overseas callers. Callers from overseas cannot currently access 090 numbers because telephone operators do not accommodate the number range. Migration to a new range not recognised by overseas telecommunications companies would be likely to cause distress to many thousands of concerned friends and relatives. At the time of this consultation almost 11,400 calls each month are being made to Hospedia 070 numbers from overseas.

BASIS OF PROVISION OF BEDSIDE COMMUNICATIONS UNDER THE PATIENT POWER PROJECT

One characteristic of the services provided by Hospedia is that it was explicitly understood that the cost of installation and provision of general coverage (regardless of potential for use) together with certain free and capped price services would be met in part by cross-subsidisation from incoming call revenues. See Ofcom own-initiative investigation into the price of making telephone calls to hospital patients.

http://www.ofcom.org.uk/bulletins/comp_bull_index/comp_bull_ccases/closed_all/cw_844/case.pdf

While the Ofcom case closure document noted that the Department of Health and providers agreed to enter into discussions to examine whether services can viably be provided on a basis that does not involve charging high incoming call charges these discussions have not yet reached any practical conclusions. Hospedia Group Limited has a publicly stated aim of facilitating reduced incoming call charges and maintaining and encouraging further use of the services will most readily achieve this. As there has not yet been an outcome as anticipated in the case closure document any other change, including migration to an unfamiliar number range, which either reduces cross subsidy available from incoming call revenues or disrupts or dissuades usage will put the prospect of achieving that aim at risk.

SUMMARY

The consultation document finds that consumer detriment from misunderstanding and misuse of 070 numbers is modest and reducing and that the costs of migration would outweigh any benefit. This remains the case when considering the migration of Hospedia services to an alternate number range. The consultation document also finds that consumers increasingly understand the cost of using 070 numbers and callers are always advised of these costs when calling Hospedia numbers.

Despite adverse publicity, including in some cases the exaggeration of true call costs, thousands of patients and users get benefit from Hospedia systems every day accounting for the many millions of minutes terminating through Hospedia PNS. This shows that users place significant value on the service. Migration to a new range would confuse users, deter use, incur significant cost and put at risk the Hospedia stated aim of working to find a means to reduce incoming call charges.

Question 8: Do you agree that Ofcom should withdraw formally the requirement for pre-call announcements on 070 Personal Numbers?:

Yes.

Additional comments:

Personal Number Services have been provided on 070 since "The Big Number" change in April 2000. Over the last eight years consumers have come to understand that there is a distinction between 070 and mobile numbering and that there are higher costs associated with calls to 070 numbers. Changes made now are likely to give rise to consumer detriment and may well require an equivalent period to elapse before reaching the current levels of awareness.