



SCOTTISH EXECUTIVE

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Your ref:
Our ref:

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Dear Alistair

OFCOM Consultation on Telephone Numbering : Response from Scottish Executive Telecoms Team

Thank you for providing us with the opportunity to comment on OFCOM's Telephone Numbering Proposals for the United Kingdom. We welcome the proposals put forward in this consultation and the valuable work which OFCOM is doing to help the development of the telecommunications sector in Scotland and indeed across the United Kingdom. There are a few points which we would like to raise regarding the proposals as follows :

Specific Number range proposals.

01 and 02 ranges

We feel the proposals in relation to the increase in the number of TYPE A conservation areas and increasing the review period to 5 years would help ensure better utilisation of each block. This timeframe will also help show whether NGN and VoIP rolls out as fast as envisaged thus reducing future demand and removing the requirement for wide area codes. **However we would like to suggest that an interim review could take place after e.g. 2 years, to see how the situation has changed and it may then be possible to effect change. e.g. bigger allocation to say 2K blocks or smaller if necessary.**

We agree with OFCOM's conclusions about Wide Area codes and withdrawal of local dialling, with overlay codes for newly allocated numbers as a support to increase conservation areas and reducing block sizes. However we feel the removal of this blocking should be used as a fallback measure, after conservation and other options are exhausted, as this could provide sufficient additional numbering, avoiding the need for disruptive wholesale change which wide area codes would require. Also a review of conservation after 2 years would highlight the need for removal of block protection.

03 Range

We would like to ask if OFCOM decides to allocate these numbers to organisations, has there been any analysis of the possibility of reducing call charges due to the costs savings of aggregating voice traffic through these particular numbering ranges.

05 range

We agree in principal with the proposals for this numbering range including testing to ensure that numbers are not allocated to repeat offenders, across more number ranges, in terms of abuse of numbering re scams, and provision of information to consumers to help make informed decisions. In particular the test guidelines proposed in section 5.83 appears to be a logical way of ensuring that the real culprits for abuses are caught and allows for appeal and the proposal to extend tariff provisions across other providers will help improve consumer confidence.

06 range – personal numbers

We feel that the idea of a new range to build confidence is a good one as it could make things clearer for the end user. We also agree with the suggestion of capped pricing in this number range and obliging providers to declare prices above that range, **however we would like to suggest that OFCOM exercises its powers to, as far as possible, force disclosure of call charges prior to the call.**

07 Number range

The principle of allocating sub ranges for new mobile services will maintain the status quo for many mobile users whose only option is simply to get a new device, which allows the provider to allocate this new number for all of the services that device enables including basic voice telephony. **However with new devices coming onto the marketplace with functionality beyond the service current service offering, consumers may want a situation where they can retain the current number and use the new services without being forced to buy a new device.** This may suit mobile providers and also provides justification for allocating a sub range.

08 ranges

The proposal that higher numbers after the 08 indicate higher costs could be confusing and erode trust, (albeit preventing exhaustion of this already under pressure number range) and needs to be clearly communicated. **Therefore given the estimated welfare loss of £ 323m each year as a result of lack of awareness of the cost of calls in this range, we feel there may be the case for asking operators to CLEARLY identify call charges prior to the call being made in a format and language which is clearly understood by the end user.**

09 range

We note the bigger issues in this range regarding lack of consumer trust, and note the confusion which exists with new and old 3 digit ranges operating alongside one another. We feel that option 2, concerning the redirection of all existing service destinations to one and then the ICSTIS codes would apply sounds promising and the simplest to operate. The advent of new service categories and two digit codes may make things clearer eventually, but this still involves migration from 3 to 2 digit codes and if providers resist this would perpetuate confusion while 2 and 3 digit co- exist.

Market based approach to numbering.

This idea may help domestic users, however this approach could play into the hands of the large providers as they can afford to pay more of these 'charges'. We are pleased that OFCOM is keen to ensure that the pricing structure does not discriminate against smaller providers and which will incentivise the efficient use of numbers. We also welcome the comment from OFCOM that they will not reward any company who seeks to buy up a range of numbers in advance of any charging being introduced and furthermore and will seek to have a charging system.

Also a range of charges does seem appropriate, **however care needs to be exercised over the complexity of the charging structure to avoid confusion for both providers and users of services.** There is a need to ensure that charging providers does not have an overly detrimental effect on the consumer by way of increased charges for services. For example with conversion to VoIP – and the remaining need for numbers, charging providers could mean they are being asked to provide what is in effect a free IP based call and pay for the number allocation. **This could mean that the end user is charged, which could result in low take-up and lack of expansion of this technology.**

We feel there is still room for a periodic audit of number use, which should give outline of number use and help assess if the market-led approach has been successful. Also if it is clear that numbers are not been used up by some providers, there should be a mechanism for reclamation to ensure that those more effective in the marketplace are not curtailed in their efforts to grow. However this reclamation should be too 'harsh' as some small players may argue that if OFCOM step in at the first sign that number ranges are not being fully utilised this discriminates towards larger players.

VoIP

We note the comment that VoIP will help alleviate pressure on the numbering system as VoIP uses IP addresses rather than numbers to route calls. However, **increased use of VoIP will have an impact on IP addressing in IPv4 which will hopefully be addressed by IPV6.** As OFCOM notes, it is likely that users will want to keep their existing recognisable number as opposed to an IP address to tell their contacts, and with the benefits of VoIP this could allow significant change in pricing and adoption of the new technology at a much faster rate, without putting more pressure on the numbering system. **We would like to ascertain if OFCOM has evidence to suggest that VoIP will allow users to retain an existing number or if you consider that a separate range will be allocated for this purpose (e.g 04) to avoid the situation where users suddenly switch to currently unused range – and put that range under pressure ? We feel the latter suggestion would also give some method of analysing just how fast the technology is being taken up.**

Yours sincerely

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