

Response to the Ofcom consultation - Phone numbers: better protection and information for customers

Ofcom Consultation 2006

Response of The Trading Standards Institute

May 2006



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Andy Montaser Ofcom 4th Floor Riverside House 2A Southwark Bridge Road London SE1 9HA

25 May 06

Dear Mr. Montaser,

Thank you for the opportunity to submit our comments on the Ofcom consultation – Phone numbers: better protection and information for customers.

The Trading Standards Institute (TSI) represents the views of a broad range of Trading Standards professionals in both the public and private sectors. Our members are engaged in local and central government, in consumer bodies and in large and SME businesses. Our aims are to promote excellence and enhance the professionalism of our members in support of informing consumers, encouraging honest business, enforcing against dishonest and unfair trading practices and the creation of healthy and safe communities.

TSI welcomes Ofcom's efforts to review the UK telephone numbering provision. We agree that the future numbering system needs to be managed efficiently, effectively and at minimal inconvenience to the consumer and business. We currently benefit from using a 0870 number which, as a nationally branded number has been useful in promoting our national brand.

The Trading Standards Institute is a company limited by Guarantee. Registered in England and Wales. Register Number 38769. Registered office: First Floor, 1 Sylvan Court, Sylvan Way Southfields Business Park Basildon, Essex SS15 6TH While we appreciate that the consultation is written in general terms and reference is made to the "consumer", presumably the "average consumer", we hope that your following conclusions will consider the needs of the "vulnerable consumer". Ofcom's reference to charge ceilings and transparent tariffs are of utmost importance to vulnerable consumers and should such initiatives be implemented, would affect the lives of this population significantly.

Although we have read the consultation Telephone Numbering: Safeguarding the future of Numbers, we have chosen to focus on responding to the questions in the summary Phone Numbers: Better Protection for Information for Consumers. Désirée Abrahams, our Policy Officer has assumed the lead in compiling our response. If you require clarification on any of the following points, please do not hesitate to contact Désirée via <u>desireea@tsi.org.uk</u> or telephone on 0870 872 9446 in the first instance.

Yours sincerely,

Paul Ramsden Deputy Chief Executive

A/ Do you agree that we should try to make as few changes to geographic numbers as possible by changing how we give the numbers to communications providers instead?

TSI agree that there should be minimal changes to the geographic numbers. In London, changes to the present 020 7 and 020 8 numbers only took place six years ago. Thus we agree that geographic numbers should be given to the communications providers.

B/ Do you agree that "overlay codes" are the best option for areas which still need more numbers?

After considering all three options, we agree that option 1 – "overlay codes" would be the easiest way to introduce new numbers while ensuring that the projected increase in demand is met. We acknowledge that option 3 – "wide area" codes has potential, although we are mindful that delineating such "wide areas" may be unduly burdensome and possibly difficult to delineate.

C/ In what ways, if any, do you think that mobile numbers could give more information about call charges?

TSI believes that it would be desirable for mobile numbers to translate information about call charges, although we realise that it would be difficult to secure charge ceilings on all 07 calls given the numerous mobile phone providers. It is possible that an automated message could identify how much the call will cost before the call is connected, however, we realise that this proposal would require the consent of mobile phone companies and goes beyond this question.

D/ Should we keep back some '07' numbers for new mobile multimedia services (such as video calling), to help make people more aware of the costs of these calls?

In light of the recent increase in demand for mobile multimedia services, we agree that it would be sensible to reserve the range 071-075 for mobile multimedia services. Should this be adopted, it is imperative that educational campaigns and publicity informs consumers that numbers from 071-075 range will be charged at a price within an associated price range. Alongside a general campaign, a special campaign aimed specifically at children and young people should be adopted, as this population will presumably be big consumers of the mobile multimedia services. We urge Ofcom to think creatively when constructing the campaign aimed at children and young people. It is suggested that they take out

advertisements in the magazines aimed at young people and send information via text messages.

E/ Do you agree that we should introduce new "countrywide" (03) numbers?

TSI agree with the concept of the "countrywide" (03) number that will be available to public services and businesses. We hope that if adopted, public services and businesses with wide geographical reach will be encouraged to change and endorse the 03 number, as only with significant uptake will the 03 number remain in the consumer's consciousness.

F/ How should the different '03' numbers be organised to show prices and services?

TSI believe that there should be a clear division between public services and organisations that are non-profit seeking and businesses that are profit-seeking. For example, public services and non profit-seeking organisations could be allocated the 030 number and profit-seeking organisations could be awarded the 033 number. Delineation between the two types of organisations will ensure minimal confusion amongst consumers.

G/ How should the different '08' numbers be organised to show prices and services?

TSI believe that the 08 numbers require immediate attention, as the existing array of numbers is very confusing for consumers. We are dismayed that the proposals in the December 2005 consultation National Translation Services: a way forward, namely 1.9 – 1.23 have not been advanced. While we appreciate Ofcom's attempts in the present consultation to simplify the 08 service, we wish to stress that the service should be delineated between local and national rate costs. Thus, we propose that the 080 – 084 numbers should be pegged at the cost of a local call and numbers 085 – 089 should be levied at the cost of a national call. We believe that such structure will provide transparency for the consumer.

In addition, TSI recommend that the 080 – 089 numbers are included within the various call packages (i.e. minute bundles) that many consumers and businesses purchase.

We are pleased to read that the 0800 freephone will remain unchanged. Although not within the remit of this consultation, we strongly encourage Ofcom to petition mobile phone companies to make calls from mobile phones to 0800 numbers free of charge. H/ Do you support the idea that the maximum prices for each type of number should be the same no matter what phone line you call from, or which network you use?

A maximum price for each number regardless of the phone line or network used would be a transparent measure that would provide obvious gains for the consumer. TSI would not be opposed to the introduction of this practice.

I/ Would you trust '09' numbers more if they were organised more simply, as we suggest? If so, what is most important to you in how the numbers are arranged (for example, price for each minute, price for each call, or whether the call includes sexual content)?

J/ Which '09' numbers might you want to be able to prevent people from calling on your phone (for example, ones over a set price, sex lines, gambling lines, or a general "adults only" category)?

In response to questions I and J, TSI is increasingly concerned with the over abuse of premium rate scams negatively effecting all sections of society, especially the most vulnerable consumers (elderly, children and young persons). Based on the information provided, we find it difficult to make a judgement on the 09 number. Once independent research on premium rate scams, and in particular the issues raised in questions I and J is completed, we will be in a more informed position to comment.

K/ Do you agree with us using a "consumer protection test" to make sure we don't give numbers to organisations with a record of treating their customers badly?

TSI is pleased to see inclusion of the "consumer protection test" in the present consultation. We see merit in withdrawing numbers based on the "consumer protection test" (A5.49) and stipulating conditions on number use to those companies to which OFCOM allocates numbers (A5.52).

While we agree with the main thrust of the "consumer protection test" outlined in 5.79 we are concerned that reference to the benchmark, namely "persistent and/or serious abuse" may translate that consumers will be subjected to a high degree of detriment before corrective action commences. Following this, TSI would like to see further clarification on what defines "persistent and/ or serious abuse".

We believe that the introduction of the test combined with the introduction of conditions and threat of withdrawal based on a breach of the conditions should minimise the number of companies generating premium rate scams. The Trading Standards Service is committed to protecting the consumer against premium rate scams. In demonstration of its commitment, Bristol Trading Standards secured convictions against two UK based companies in 2004.¹

While we believe that the "consumer protection test" is most appropriately targeted at 09 numbers, TSI is pleased to read that the test will extend to the 03, 06, 07, 08 numbers. It is assumed that the imposition of the test would give rise to a good level of customer service when ringing any number, which will be beneficial for the consumer.

L/ Would you be interested in having a Personalised number? If so, why?

TSI will comment on the issue of personalised numbers once the unresolved issues concerning the individual allocation of numbers to end users is reconciled, as highlighted in section 5.68 of this consultation. From the outset, we would like to stipulate that all tariff information on Personalised numbers should be clear and transparent.

M/ What do you think is the best way to make customers aware of the services and prices associated with each type of phone number?

TSI believe that such significant changes to the telephone numbering system requires a national campaign, supplemented by press releases in local newspapers and local radio stations. The national campaign should aim to incorporate television and radio commercials alongside advertisements in the national press and telephone directories. Advertisements displayed on bus shelters are another good method of trying to raise awareness.

¹ "Trading standards secure convictions in premium rate prize draw scam" 23-Dec-2004, Bristol City Council website <u>http://www.bristol-</u> <u>city.gov.uk/ccm/content/press-releases/2004/12/Press-Release-10492SC-</u> 04.en;jsessionid=0E978765B644F1C395E48D3A48A02134. N/ What do you think about the pictures and terms that we suggest using to describe each type of number? Do you have any other ideas for what we could use?

In general, TSI believes that the pictures and terms proposed are memorable and serve to inform the consumer in a succinct way of the changes to the telephone numbering system. However, we suggest the following as possible amendments to the proposals.

Firstly, we believe that there should be a more obvious differentiation between the 0800 Freephone and 08 Chargeable Services. One proposition is that the 0800 Freephone symbol should be highlighted in a different colour to the 08 symbol.

Secondly, the symbol for the Chargeable Services is a book. However, as this is a chargeable service for not only public information services but also, may extend to private companies, we believe that a book is an inappropriate symbol given the differing services within the 08 range. Also, as the 08 range is a chargeable service and will contain revenue sharing possibilities

We believe that any symbol highlighting the range should emphasise the cost implications of the service. Ofcom's consultation expresses that presently, consumers are generally unaware of the differences in cost between the 0845 (local rate) and 0870 (national rate) therefore, we believe that Ofcom has a big responsibility to inform and educate consumers on the new charges to the 08 range.

Allocation of an appropriate symbol will be an important factor in the consumer education toolkit. Hence, we suggest that the pound sign (£) is employed instead to reemphasise the chargeable service. The (£) symbol is an objective symbol and will remind consumers that the cost may be more expensive than a local rate call.

Thirdly, given that we suggest using a pound sign (£) for the 08 Chargeable Services, we propose that two pound signs (££) are used for the Premium Rate Services. The main point to convey here is the premium rate status of the call. Therefore, highlighting ££ may be a better way of denoting the more expensive nature of a premium rate call compared to other telephone numbers.