

Protecting citizen-consumers from mis-selling of fixed-line telecoms services

Consultation document

This consultation document seeks your comments on the effectiveness of current consumer safeguards which have been designed to protect consumers from mis-selling of fixed-line telecoms services.

The deadline for comments is **3 June 2004**.

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Section 1

Summary

1. Ofcom exists to further the interests of citizen-consumers through a regulatory regime which, where appropriate, encourages competition. Effective competition delivers choice and lower prices to consumers as well as opportunities for new services and providers.
2. The development of competition for fixed-line telecoms services, notably through Carrier Pre Selection ("CPS"), continues to bring benefits to consumers through changes in the way in which services are marketed and delivered. The introduction of the Wholesale Line Rental 2 ("WLR 2") product, which was formally launched in March 2004, is expected to bring further changes, including much greater use of direct selling techniques, including selling via the doorstep, by telephone and in public places, such as supermarkets.
3. Such sales and marketing techniques are widely used throughout the energy industry and, while they have made a significant contribution to the development of competition in that sector, they have also resulted in instances of irresponsible sales and marketing activity, specifically mis-selling. This has the effect of undermining consumer confidence in the transfer and switching process, and causing consequential damage to the industry as a whole.
4. While the issue of mis-selling has not to date arisen to a significant extent in the telecoms sector, there is some evidence (albeit still small) that customer complaints have started to increase faster than the underlying volume of CPS orders. This, together with the potential for increased consumer detriment following the introduction of WLR 2, is the reason why Ofcom is reviewing current safeguards in this area in order to ensure that the interests of consumers are adequately protected.
5. Ofcom recognises that there are already a range of safeguards in place which have been designed to protect the interests of consumers. The current mechanism for preventing mis-selling and, more specifically, slamming, for CPS and WLR 2 was agreed by the industry and consumer representatives, and is process-based. It requires a 10 working-day switchover period before a customer's order can be activated, and mandatory 'notification of transfer' letters to be sent by both the gaining and losing provider during this period to all consumers wishing to transfer.
6. Further consumer safeguards include guidelines for sales and marketing codes of practice, ensuring fair and appropriate sales and marketing activity, as well as consumer guides which aim to ensure that consumers are adequately informed about the nature of these services.
7. Other than the guidelines for sales and marketing codes of practice, there are no current telecoms-specific regulatory rules on mis-selling. There is, however, various consumer protection legislation regulating sales and marketing activity more generally.

8. This document therefore seeks the views of stakeholders on whether the current safeguards designed to protect consumers from mis-selling of fixed-line telecoms services are effective, or whether it is appropriate for Ofcom to secure new enforcement powers in this area.
9. The following two options are set out for consideration in section 5:
 - 1 consumers are adequately protected and there is no need to make any changes to the current consumer safeguards;
 - 2 consumers are not adequately protected and there is a need for additional regulation in the form of mandatory guidelines for sales and marketing codes of practice.
10. In considering the application of safeguards aimed at preventing mis-selling of fixed-line telecoms services, Ofcom recognises that the options considered must be consistent with its statement that Ofcom works with a bias against intervention and its regulatory principles, which include the need to:
 - be based on evidence;
 - be open to the views of the industry and consumers; and
 - act swiftly and effectively if we see a major concern over competition or the public interest.
11. In addition, and separate to the issue of the effectiveness of consumer safeguards, Ofcom is seeking views in relation to the need for clarification of certain provisions contained within the existing guidelines for sales and marketing codes of practice for fixed-line telecoms services (see section 6).
12. Views and comments on any of the matters raised in this document should be made in writing by **3 June 2004** to:

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13. Ofcom is allowing five weeks for responses. This is shorter than the standard 10 week period set out in Ofcom's consultation principles. This is because the issues addressed in this document, including the content and status of the guidelines on sales and marketing codes of practice, have been debated at length over the previous two years, both at industry and consumer forums. Additionally, Ofcom recognises that all parties wish to ensure that a decision is taken about the effectiveness of consumer protection in this area as swiftly as possible.

Section 2

Background

14. Ofcom exists to further the interests of citizen-consumers through a regulatory regime which, where appropriate, encourages competition. Effective competition delivers choice and lower prices to consumers as well as opportunities for new services and providers.
15. The development of competition for fixed-line telecoms services, notably through Carrier Pre Selection (“CPS”)¹ continues to bring benefits to consumers through changes in the way in which services are marketed and delivered. The introduction of the Wholesale Line Rental 2 (“WLR 2”)² product, which was formally launched in March 2004, is expected to bring further changes, including much greater use of direct selling techniques, including selling via the doorstep, by telephone and in public places, such as supermarkets. This is because WLR 2, which will allow alternative providers to rent exchange lines on wholesale terms from BT, and resell the exchange lines to end-users, is expected to have many similarities with reselling in the energy sector, including similar sales and marketing practices being adopted.
16. Direct selling, as a form of sales and marketing activity, is widely used throughout the energy industry, and it has made a significant contribution to the development of competition in this sector. However, it is evident from statistics relating to the volume of customer complaints made to Energywatch, the independent gas and electricity consumer council, that it has also resulted in significant instances of irresponsible sales and marketing activity in that sector, specifically mis-selling; during 2002/3 Energywatch received some 92,600 domestic supply complaints, of which 12,438 were direct selling complaints.³
17. Mis-selling covers a range of irresponsible sales and marketing activities that can work against the interests of consumers and undermine confidence in the industry as a whole. It can include:
 - sales representatives forging customers’ signatures on contracts without the customer even being aware;
 - the provision of false and/or mis-leading information (for example, about potential savings, claiming to represent a different company, promising non-existent introductory offers or free gifts);
 - applying unacceptable pressure tactics, such as refusing to leave until the customer signs and/or threatening or otherwise intimidating behaviour; and

¹ CPS allows customers to choose in advance to route all their calls – or just calls of a particular type – for example, all international calls – via an alternative CPS provider, and to have them billed by that provider.

² WLR allows alternative providers to provide an integrated service comprising calls and access by renting the exchange lines on wholesale terms from BT, and sending customers a single bill for both calls and line rental.

³ Energywatch Annual Report, April 2002 – March 2003

- ‘slamming’, an extreme form of mis-selling, where customers are simply switched from one company to another without their express knowledge and consent.
18. These issues have not in the past arisen to a significant extent within the telecoms sector, primarily because the mechanisms through which competition has traditionally been delivered to domestic and small business customers (i.e. Indirect Access (“IA”) and cable telephony) were highly visible to customers. It would therefore be very difficult to imagine customers using these mechanisms without their knowledge. However, CPS and WLR can be invisible to the customer at the point of delivery, and there is therefore significant potential for customers to be switched to these services without their express knowledge and consent.
 19. It is for this reason that there are a range of safeguards that have been put in place to protect consumers from mis-selling and, more specifically, slamming of fixed-line telecoms services. The current mechanism for enabling the transfer of a customer to CPS or WLR was agreed by the industry and consumer representatives, and is process-based. It requires a 10 working-day switchover period before a customer’s order can be activated, and mandatory ‘notification of transfer’ letters to be sent by both the gaining and losing provider during this period to all consumers wishing to transfer.
 20. Further consumer safeguards in the fixed-line telecoms sector include guidelines for sales and marketing codes of practice, ensuring fair and appropriate sales and marketing activity, as well as consumer guides that aim to ensure that consumers are adequately informed about the nature of these services.
 21. Other than the guidelines for sales and marketing codes of practice, there are no current telecoms-specific regulatory rules on mis-selling. There is, however, various consumer protection legislation regulating sales and marketing activity more generally.
 22. It has been suggested to Ofcom by BT, various other industry members and consumer representatives that there is a need for Ofcom to secure new enforcement powers in this area so that there are sufficient incentives upon providers to act responsibly and follow best practice in their sales and marketing activity.
 23. Ofcom recognises irresponsible sales and marketing behaviour causes significant confusion and distress to consumers, and has the effect of undermining consumer confidence in the transfer and switching process. This would have a negative impact upon competition, and result in consequential damage to the industry as a whole. Ofcom further recognises that it has been argued that potential for consumer detriment could potentially increase following the introduction of WLR 2. This is because with WLR 2:
 - the customer will no longer have any line rental relationship with BT; and
 - WLR providers may wish to avail themselves of IA call barring, which means that their customers will not be able to take advantage of the ‘1280’ BT over-ride code (or, indeed, any IA over-ride code). Therefore,

unlike CPS, there will be no 'quick fix' if the customer discovers that they have been mis-sold.

24. However, in line with Ofcom's bias against intervention, Ofcom has made it clear that it would need to be persuaded that there is clear evidence and support for the position that mis-selling of fixed-line telecoms services is a serious problem, and that the current safeguards which are in place do not provide sufficient protection to consumers before it would be prepared to follow an option that imposed additional regulatory obligations.
25. This document therefore seeks the views of stakeholders on whether the current consumer safeguards which have been designed to protect consumers from mis-selling provide adequate protection, or whether it is appropriate to secure new enforcement powers in this area. Comments are sought on the following options:
 1. consumers are adequately protected and there is no need to make any changes to the current consumer safeguards;
 2. consumers are not adequately protected and there is a need for additional regulation in the form of mandatory guidelines for sales and marketing codes of practice.
26. The justification for Ofcom's interest in this area stems directly from Ofcom's mission to further the interests of citizen-consumers through a regulatory regime which, where appropriate, encourages competition.
27. In considering the application of safeguards aimed at preventing mis-selling of fixed-line telecoms services, Ofcom recognises that the options considered must be consistent with its statement that Ofcom works with a bias against intervention and its regulatory principles, which include the need to:
 - be based on evidence;
 - be open to industry and citizen-consumer views; and
 - act swiftly and effectively where we see a major competition or public interest concern.

Section 3

Current consumer safeguards

Introduction

28. There are a range of measures that are currently available to consumers to protect them from the risks of mis-selling of fixed-line telecoms services. These are described below.

The legal framework

General legislation

29. Sales and marketing activity is regulated by a range of consumer protection legislation enforced by a number of different institutions which are not specific to the telecoms sector.
30. The police have responsibility for the enforcement of criminal legislation, and this extends to the direct selling of telecoms products in so far as it concerns specific crimes, for example violence or fraud.
31. General consumer protection legislation is enforced principally by Local Authority Trading Standards Departments. This provides for sanctions for breaches of criminal legislation including:
- the Trade Descriptions Act 1968 which prohibits false descriptions made about goods and false statements about the provision of services, inaccurate or misleading descriptions of goods and services;
 - the Consumer Protection Act 1987 Part III (Misleading Price Indications);
 - the Consumer Protection (Cancellation of Contracts Concluded Away from Business Premises) Regulations 1987; and
 - the Unfair Terms in Consumer Contracts Regulations 1999.
32. Trading Standards Departments can also seek civil remedies under legislation, including:
- the Control of Misleading Advertisements Regulations 1988 (as Amended); and
 - the Consumer Protection (Distance Selling) Regulations 2000.
33. Ofcom has been designated an 'enforcer' under Part 8 of the Enterprise Act 2002, and has the power to obtain enforcement orders from the Courts in relation to breaches of consumer protection legislation. Legislation covered by the Enterprise Act includes that previously mentioned.
34. Ofcom recognises that the OFT has issued guidelines on general enforcement under these regulations which may be of relevance to Ofcom in considering any such enforcement action. These include principles that should be followed in respect of general enforcement, including:
- action being necessary and proportionate;
 - businesses being given a reasonable opportunity to put matters right; and

- proper regard being given for other statutory regulatory means and non-statutory mechanisms (the ‘established means’ principle).

European law

35. In June 2003 the European Commission adopted a proposal for a Directive on unfair business- to-consumer commercial practices in the Internal Market (COM 2003/356). The proposed Directive seeks to establish a general prohibition of unfair commercial practices and, in particular, misleading and aggressive commercial practices. The proposed Directive states that a commercial practice may mislead through action or omission, and describes aggressive practices as harassment, coercion and undue influence.

Telecoms-specific legislation

36. There are no additional sector-specific regulatory rules for sales and marketing activity in the telecoms sector other than the current guidelines for sales and marketing codes of practice.

The Communications Act 2003

37. Relevant statutory provisions relating to protecting consumer interests are set out in sections 51 and 52 of the Communications Act 2003 (“the Act”), among others and, in particular, section 52(2)(e). Ofcom has the power to set general conditions, for example, which are “necessary for securing effective protection for the domestic and small business customers of such providers” [i.e. “public communications providers”].

Self regulation

38. The Advertising Standards Authority is the independent, self-regulatory body for non-broadcast advertisements, sales promotions and direct marketing in the UK. It administers the British Code of Advertising, Sales Promotion and Direct Marketing (the CAP Code) to ensure that advertisements are legal, decent, honest and truthful.
39. The Trading Standards Institute, in association with a range of other organisations, has developed a ‘National Doorstep Selling Protocol’. The protocol states that, where possible, representatives will have previously arranged an appointment before calling on a consumer, and where this is not possible sets out a procedure to be observed.

The CPS/WLR customer transfer process

40. The following key consumer safeguards have been developed to protect consumers from the risks of mis-selling and, more specifically, slamming of fixed-line telecoms services:

Mandatory notification of transfer letters

41. Under the current CPS/WLR 2 process all consumers wishing to transfer between providers receive a mandatory letter from both the gaining and losing provider. This letter must be received during the switchover period (see

below), and is designed to ensure that consumers are aware that the transfer is taking place **before it actually happens**.

- For CPS, this letter is required (under the terms of the CPS Process document which is part of the Standard Interconnect Agreement) to contain the following information:
 - Date of notification;
 - CLI(s) affected;
 - CPS options affected (activated or de-activated);
 - the switchover date;
 - the sender's contact details for any queries.
 - For WLR 2, this notification will be required to include similar standard information.
42. The Director General of Telecommunications (the 'Director') published a CPS 'save' Notification, *Notification of Contravention of General Condition 1.2 under Section 94 of the Communications Act 2003* (the 'Notification'), in November 2003, which required that the CPS letter must not contain any 'save' or marketing material. As a consequence of the Notification, BT is working together with the other members of the industry within the relevant CPS industry groups to come up with a neutral form of wording for this letter. Similar principles are likely to apply for WLR2.

CPS/WLR switchover period

43. The current CPS/WLR 2 process provides for a standard switchover period of 10 working days (excluding Saturdays) from the time the order is confirmed by BT to the time the transfer is made. This has been designed to give consumers adequate opportunity to stop the process in the case of unauthorised transfers or where they wish to change their mind, and is standard irrespective of the method of sales or marketing used.

Sales and marketing codes of practice

44. Guidelines have been agreed with the industry and consumer representatives in respect of sales and marketing codes of practice for fixed line telecoms services (see Annex 4).
45. Under these codes, consumers will be able to complain to their provider under the terms of its code on complaints handling, and ultimately seek redress through the relevant dispute resolution scheme which providers are required to be members of on account of General Condition 14.3. This Condition was set under Section 52 of the Act, and requires all public communications providers with domestic and small business customers to belong to an alternative dispute resolution scheme that is approved by Ofcom. Currently Ofcom has approved two schemes: the Office of the Telecommunications Ombudsman ('Otel') and the Communications and Internet Services Adjudication Scheme ('CISAS').
46. Ofcom does not have any enforcement powers in relation to these codes, and where there are breaches of provisions contained in codes, it is the responsibility of the industry rather than Ofcom to enforce the codes.

47. In addition, and separate to the consultation on the effectiveness of consumer safeguards, Ofcom is also seeking comments in relation to the need for clarification on certain provisions contained in the existing guidelines. Section 6 describes those areas on which Ofcom is seeking views. For the avoidance of doubt, this is without prejudice to any decisions made in relation to the effectiveness of current consumer protection from mis-selling of fixed-line telecoms services.

Consumer Guides

48. There are currently consumer guides for CPS and WLR which help to ensure that customers are adequately informed about the nature of these services. These guides provide comprehensive independent consumer information, including descriptions of the various products and checklists of issues which consumers may wish to take into account when considering changing supplier. These guides were drafted by Ofcom with input from the industry and consumer representatives and are available on the Ofcom website.
49. Work is currently underway to combine these two guides into one single document, and to develop an appropriate distribution and publicity strategy.

Regulatory monitoring and meetings with communications providers on CPS sales activity

50. Ofcom monitors on a monthly basis (amongst other things) the number of complaints it receives (per provider) about fixed line telecoms mis-selling. It combines this information with data from BT about the number of alleged selling issues that BT has identified per provider. Ofcom uses this information to identify those providers who appear to have greatest problems with CPS sales activities and it has initiated discussions with those providers. Ofcom views these discussions as an important part of its commitment to minimising the potential for mis-selling.
51. These meetings provide Ofcom with a valuable opportunity to ensure that problems with CPS sales are resolved at the earliest possible opportunity, including greater understanding of the reasons for the level of complaints made, and agreement on steps taken to resolve these difficulties. Ofcom may wish to initiate similar discussions with WLR providers in the event that similar issues arise with WLR 2.

Assessing whether mis-selling of fixed-line telecoms services is a serious problem

Complaints data

52. The safeguards identified in the previous section are intended to prevent mis-selling of fixed-line telecoms services from becoming a problem. Ofcom, however, recognises that evidence (albeit still small) suggests that customer complaints about CPS mis-selling have started to increase faster than the underlying volume of CPS orders. That said, complaints about CPS mis-selling made to the regulator remain low in the context of the total number of CPS orders going through each month, and is nothing like the case in the energy market. Figure 1 provides details of the number of complaints made to the regulator about CPS mis-selling over recent months, and shows that the number of complaints as a percentage of total monthly CPS set-up orders has not risen over 0.05%.
53. By way of context, the scale of problems in the energy sector is far greater, with Energywatch receiving some 92,600 domestic supply complaints during 2002/3, of which 12,438 were direct selling complaints⁴. According to Energywatch data, direct selling complaints to Energywatch peaked at around 1,500 to 2,000 per month in 2002 (some 0.4% of the average total transfer requests for the period). These complaints, however, have now fallen to around 400 to 500 per month (some 0.1% of the average total transfer requests for the period).⁵
54. BT has informed Ofcom that it believes that the problem is greater than the regulator's complaints data would suggest, and that its own data about issues being raised by customers in respect of CPS and WLR transfer and switching supports this view.
55. The main descriptor used by BT is known as 'Unfair Trading Incidents' ('UTIs') which are raised by BT following contact with a customer:
- to provide an audit trail for the use of 'cancel other'⁶ (when 'cancel other' is used in cases of apparent mis-selling); and
 - to record the level of consumer problems, on the grounds that even if a customer does not wish to raise a formal complaint, there are still underlying issues to be addressed.
56. BT's UTI data is also highlighted in Figure 1, and shows a steady increase over recent months. Ofcom is aware that industry has raised concerns in

⁴ Energywatch Annual Report, April 2002 – March 2003

⁵ Source: Making markets work for consumers – the regulation of gas and electricity sales and marketing: a review of standard licence condition 48, August 2003

⁶ 'Cancel other' is a functionality that allows BT to cancel a customer's order for CPS during the 10 day switchover period.

respect of the extent to which this data is a reflection of mis-selling, and Ofcom remains actively engaged in dialogue with BT and industry in respect of the meaningfulness of the data.

Figure 1: Selling of fixed-line telecoms services – facts and figures

	Total CPS set up orders	No. of complaints made to the regulator	As a % of total CPS set up orders	No. of UTIs raised by BT	As a % of total CPS set up orders
Jan '03	185,620	20	0.01	150*	0.08
Feb '03	268,807	43	0.02	150*	0.06
Mar '03	328,807	66	0.02	2,350*	0.7
Apr '03	320,607	85	0.03	2,350*	0.7
May '03	348,816	103	0.03	2,350*	0.7
Jun '03	376,936 (est)	129	0.03	2,568	0.7
Jul '03	376,936 (est)	112	0.03	1,091	0.3
Aug '03	303,880	89	0.03	2,268	0.7
Sep '03	345,012	135	0.04	4,767	1.4
Oct '03	426,402	220	0.05	6,999	1.6
Nov '03	393,099	196	0.05	10,853	2.8
Dec '03	427,989	124	0.03	15,128	3.5
Jan '04	423,060	74	0.01	14,256	3.4
Feb '04	462,967	53	0.01	12,042	2.6

*based on the average for the period in question

Research

57. To date, there is no specific telecoms research in respect of consumer attitudes to direct selling and, in particular, their experience and attitudes towards mis-selling. Ofcom does, however, intend to start commissioning such research in the future as part of its ongoing monitoring role in this area.
58. Ofcom, however, recognises that there is considerable quantitative and qualitative research available in relation to consumer attitudes to the direct selling of energy, and has had sight of relevant research commissioned by Ofgem during 2002⁷. The results of this were follows
 - 34% of consumers said that the sales agent who had approached them had been 'fine, doing their job', 26% had considered the sales agent 'a nuisance', '25% had found the agent to be 'quite pushy';
 - 18% of consumers had agreed to sign a contract as a result of the contact. However, 4% of consumers said that they failed to sign because of 'horror stories' and 13% because of the 'sales approach';
 - 43% of consumers approached on the doorstep were quite or very satisfied with the contact; 36% of consumers approached on the doorstep were quite or very dissatisfied with the contact. Of those dissatisfied, 50% found the agent 'too pushy/aggressive' while 45% of those satisfied found the experience 'very informative'. 10% of respondents thought that abandoning the direct sales approach would be a positive step;

⁷ Source: Making markets work for consumers – the regulation of gas and electricity sales and marketing: areview of standard licence condition 48, August 2003

- Overall 25% of consumers who signed as a result of the contact went on to cancel the contract. However, the distribution of those customers varied depending on the sales channel; 40% who signed on the doorstep, 36% who signed on the street and 0% by telephone said that they had not wanted to change supplier;
- 27% of respondents encountered problems when cancelling, nearly half of these arising because of the cancellation period available. Overall, 30% of respondents said that they did not receive an audit call or letter from the new supplier (as required by the licence condition).
- 2% of consumers said that their signature had been forged, 12% felt they had been 'duped' into signing a contract and 11% had been transferred without their knowledge.

Question 1:

What is your view on whether or not mis-selling of fixed-line telecoms services is a serious problem?

Section 5

Options for ensuring effective consumer protection

Introduction

59. Ofcom is committed to securing a regulatory environment which provides appropriate safeguards to protect the interest of consumers as well as the reputation of the industry as a whole.
60. In considering the application of safeguards aimed at preventing mis-selling of fixed-line telecoms services, Ofcom recognises that the options considered must be consistent with its statement that Ofcom works with a bias against intervention and its regulatory principles, which include the need to:
- be evidence-based;
 - be open to industry and citizen-consumer views; and
 - act swiftly and effectively where we see a major competition or public interest concern.
61. In this section, Ofcom considers the costs and benefits of twothree options for ensuring adequate consumer protection in this area, and would welcome the comments and views of stakeholders. The following two options are considered:
1. consumers are adequately protected and there is no need to make any changes to the current consumer safeguards;
 2. consumers are not adequately protected and there is a need for additional regulation in the form of mandatory guidelines for sales and marketing codes of practice.

Option 1: no change to the current consumer safeguards

62. Under this option, Ofcom would not be persuaded that there is clear evidence and support that mis-selling of fixed-line telecoms services is a significant problem which requires the imposition of additional regulatory obligations. Ofcom would consider that the current safeguards that are in place provide sufficient protection to consumers
63. The primary consumer safeguard to prevent CPS and WLR 2 mis-selling and, more specifically, slamming would remain process-based, as described in section 3. In addition, the general consumer protection legislation, also detailed in section 3, together with the industry codes of practice for sales and marketing, would continue to apply. Ofcom would also continue to monitor levels of mis-selling.
64. The current transfer process for CPS and WLR 2 was designed to ensure that any problems related to mis-selling are picked up at the time the initial order is placed and that, consequently, customers should not be transferred without their express knowledge and consent. In Ofcom's view, the CPS/WLR transfer process is working in the way it was designed to, and this is one of

the main reasons that complaints volumes to the regulator are much lower than BT's UTI data would suggest. Those consumers who might currently complain to BT during the 10 day switchover period do not pursue the complaint with the regulator because the transfer is prevented before any harm is done to the consumer's interests.

65. However, Ofcom also recognises that while the process largely prevents the actual CPS/WLR transfer going ahead, some mis-selling may take place. The published guidelines on sales and marketing codes of practice is the primary mechanism by which the regulator, together with industry and consumer groups, have sought to promote good practice and responsible sales and marketing for fixed-line telecoms services.
66. This option would be consistent with Ofcom's approach to regulation and, in particular, Ofcom's bias against intervention.
67. The risks associated with this option can therefore be categorised as follows:
 - some providers may not abide by the guidelines for sales and marketing codes of practice; and
 - if mis-selling increases, Ofcom will not have any enforcement powers in relation to these codes, and it will be the responsibility of the industry rather than Ofcom to enforce the codes.

Option 2: mandatory guidelines for sales and marketing codes of practice

68. Under this option, Ofcom would consider that there is a need for intervention on the basis that there is clear evidence and support for the position that mis-selling of fixed-line telecoms services is a serious problem, and that the current safeguards do not provide effective protection for consumers.
69. Ofcom's enforcement powers would be extended by making modifications to General Condition 14 on "Codes of Practice and Dispute Resolution", with the published guidelines on sales and marketing codes of practice being made mandatory for all providers who engage in sales and marketing activity for fixed-line telecoms services. All providers who engage in such activity will be required to establish and maintain procedures consistent with the guidelines, and Ofcom could take action against providers who engage in unethical, unfair and irresponsible sales and marketing activity.
70. Under this option Ofcom would not intervene unless it had to, and would target any action specifically at companies that continue to act in a way which is unethical, unfair or irresponsible.
71. The risks associated with this option can therefore be categorised as follows:
 - developing competition may be harmed by placing additional obligations on providers; and
 - increased costs to providers from additional regulation which may prove to be unnecessary.

Question 2:

Which of the two regulatory options listed in this section do you support, and why?

Section 6

Issues related to the current guidelines for sales and marketing codes of practice

72. In addition, and separate to the issue of the effectiveness of consumer safeguards, Ofcom is also seeking comments in relation to the need for clarification on certain provisions contained in the existing guidelines on sales and marketing codes of practice for fixed-line telecoms services (see Annex 4). This section describes those areas on which Ofcom is seeking views. For the avoidance of doubt, this is without prejudice to any decisions made in relation to the effectiveness of current consumer protection.

Cancellation rights

73. It has been brought to Ofcom's attention that there is a discrepancy between Ofcom's policy regarding 'no penalty' cancellations for WLR, and how CPS cancellations are being handled.
74. Under WLR, consumers have the right to change their mind after the statutory cooling-off period but before the switchover period is complete, and remain with their current provider, and not be subject to any form of financial penalty.
75. Current WLR policy is that there is no cost cancellation for residential and small business customers. In the case of large businesses, however, providers are able to recover their costs where these have been significant although there should be no additional punitive charges.
76. This is not the case with CPS where the issue of 'no penalty' cancellations has not been formally set out in respect of the CPS process.
77. Ofcom notes that it is the strong view of consumer representatives that this extra protection should be extended to CPS, and should be clarified by incorporating within the guidelines. Ofcom would therefore welcome views on whether respondents agree that there is merit in having a consistent approach in this area. In addition, Ofcom notes that there has been significant debate at industry meetings in relation to what is meant by 'no cost cancellation', and Ofcom would also welcome views on this.

Question 3:

Should Ofcom's policy on 'no cost' cancellation relating to WLR be extended to CPS?

Question 4:

What is your understanding of the term 'no cost' cancellation?

Consumer Guide - awareness

78. As already indicated, Ofcom, together with industry and consumer representatives, is developing a combined Consumer Guide for CPS and WLR.
79. It has been suggested to Ofcom that publication of the Consumer Guide(s) only on the Ofcom website may not necessarily be sufficient by itself, and consumer representatives have suggested that providers make the Guide, or at least key aspects of it, available to consumers as part of their sales process. Such a measure would clearly have cost implications for providers.
80. Ofcom would welcome views on this.

Question 5:

Does anything need to be done in relation to the availability of the Consumer Guide?

Question 6:

Is there a need for further material to be made available for consumers as part of the sales process?

Co-regulatory measures

81. It has been suggested to Ofcom that there would be benefit in the establishment of an industry wide initiative and/or guidelines to run alongside the published guidelines on sales and marketing codes of practice, but to specifically target particular areas of concern, such as face-to-face sales. Similar initiatives have been developed in the energy sector such as Energysure (see http://www.energysure.org.uk/about_esure.html). The Energysure scheme grants official, nationally accepted recognition and accreditation to energy sales agents, and provides for minimum standards for the recruitment and training of sales agents, and has also established a register of accredited agents.
82. Ofcom shares the view that there are significant benefits to be gained through the development of similar initiatives within the telecoms sector (where possible building on schemes already established in other sectors), and would ask stakeholders to indicate whether they would support such an initiative.

Question 7:

What is your view on the benefits of establishing an industry-wide initiative and/or guidelines on particular areas of concern to run alongside the published guidelines on sales and marketing codes of practice?

Section 7

Responding to this consultation

How to respond

83. Ofcom invites written views and comments on the issues raised in this document, to be made by **5pm on Thursday 3 June 2004**.
84. Ofcom strongly prefers to receive responses as e-mail attachments, in Microsoft format, as this helps us to process the responses quickly and efficiently. We would also be grateful if you could assist us by completing a response cover sheet (see Annex 2) to indicate whether or not there are confidentiality issues. The cover sheet can be downloaded from the 'Consultation' section of our website.
85. Please can you send your response to gavin.daykin@ofcom.org.uk. Responses may alternatively be posted or faxed to the address below, marked with the title of the consultation.

Gavin Daykin
Content & Standards
Ofcom
Riverside House
2A Southwark Bridge Road
London SE1 9HA

Tel: 020 7981 3859
Fax: 020 7981 3333

86. Please note that we do not need a hard copy in addition to an electronic version. Also please note that Ofcom will not routinely acknowledge receipt of responses.
87. It would be helpful if your response could include direct answers to the questions asked in this document, which are listed at Annex 3. It would also help if you can explain why you hold your views, and how Ofcom's proposals would impact on you.

Further information

88. If you have any questions about the issues raised in this consultation, or need advice on the appropriate form of response, please contact us using the details above.

Confidentiality

89. Ofcom thinks it is important for everyone interested in an issue to see the views expressed by consultation respondents. We will therefore usually publish all responses on our website, www.ofcom.org.uk, as soon as possible after the consultation period has ended.
90. All comments will be treated as non-confidential unless respondents specify that part or all of the response is confidential and should not be disclosed.

Please place any confidential parts of a response in a separate annex, so that non-confidential parts may be published along with the respondent's identity.

91. Please also note that copyright in responses will be assumed to be relinquished unless specifically retained.

Next steps

92. Following the end of the consultation period, Ofcom intends to publish a statement in the summer.
93. In the event that Ofcom is persuaded to adopt Option 2, Ofcom would need to follow the procedures for setting, modifying and revoking conditions detailed in sections 45 to 50 of the Act, including the need to publish a notification and consult for a period of no less than one month after the day of the publication of the notification.
94. Please note that you can register to get automatic notifications of when Ofcom documents are published, at http://www.ofcom.org.uk/static/subscribe/select_list.htm.

Consultation principles

95. Ofcom is keen to make responding to consultations easy, and has published some consultation principles (see Annex 1) which it seeks to follow, including on the length of consultations.
96. This consultation is shorter than Ofcom's standard 10 week period because the issues addressed in this document, including the content and status of the guidelines on sales and marketing codes of practice, have been debated at length over the previous two years, both at industry and consumer forums. Ofcom also recognises that all parties wish to ensure that a decision is taken about the effectiveness of consumer protection in this area as swiftly as possible.
97. If you have any comments or suggestions on how Ofcom conducts its consultations, please call our consultation helpdesk on 020 7981 3003 or e-mail us at consult@ofcom.org.uk. We would particularly welcome thoughts on how Ofcom could more effectively seek the views of those groups or individuals, such as small businesses or particular types of residential consumers, whose views are less likely to be obtained in a formal consultation.
98. If you would like to discuss these issues more generally, of Ofcom's consultation processes more generally, you can alternatively contact Philip Rutnam, Partner, Competition and Strategic Resources, who is Ofcom's consultation champion:

Philip Rutnam
Ofcom
Riverside House
2A Southwark Bridge Road
London SE1 9HA

Tel: 020 7981 3585

Fax: 020 7981 3333

E-mail: philip.rutnam@ofcom.org.uk

Annex 1

Ofcom's consultation principles

There are seven principles which we will follow for each written consultation.

Before the consultation

A1.1 Where possible, we will hold informal talks with people and organisations before announcing a big consultation to find out whether we are thinking in the right direction. If we do not have enough time to do this, we will hold an open meeting to explain our proposals shortly after announcing the consultation.

During the consultation

A1.2 We will be clear about who we are consulting, why, on what questions and for how long.

A1.3 We will make the consultation document as short and simple as possible with a summary of no more than two pages. We will try to make it as easy as possible to give us a written response. If the consultation is complicated, we may provide a shortened version for smaller organisations or individuals who would otherwise not be able to spare the time to share their views.

A1.4 We will normally allow 10 weeks for responses.

A1.5 There will be a person within Ofcom who will be in charge of making sure we follow our own guidelines and reach out to the largest number of people and organisations interested in the outcome of our decisions. This individual (who we call the consultation champion) will also be the main person to contact with views on the way we run our consultations.

A1.6 If we are not able to follow one of these principles, we will explain why. This may be because a particular issue is urgent. If we need to reduce the amount of time we have set aside for a consultation, we will let those concerned know beforehand that this is a 'red flag consultation' which needs their urgent attention.

After the consultation

A1.7 We will look at each response carefully and with an open mind. We will give reasons for our decisions and will give an account of how the views of those concerned helped shape those decisions.

Annex 2

Consultation response cover sheet

A2.1 In the interests of transparency, we will publish all consultation responses in full on our website, www.ofcom.org.uk, as soon as possible after the consultation period has ended, unless a respondent specifies that all or part of their response is confidential. We will also refer to the contents of a response when explaining our decision, unless we are asked not to.

A2.2 We have produced a cover sheet for responses (see below) and would be very grateful if you could send one with your response. This will speed up our processing of responses, and help to maintain confidentiality by allowing you to state very clearly what you don't want to be published. We will keep your completed cover sheets confidential.

A2.3 We strongly prefer to receive responses in the form of a Microsoft Word attachment to an email. Our website therefore includes an electronic copy of this cover sheet, which you can download from the 'Consultations' section of our website.

A2.4 Please put any confidential parts of your response in a separate annex to your response, so that they are clearly identified. This can include information such as your personal background and experience. If you want your name, contact details, or job title to remain confidential, please provide them in your cover sheet only so that we don't have to edit your response.

Cover sheet for response to an Ofcom consultation

BASIC DETAILS

Consultation title:

To (Ofcom contact):

Name of respondent:

Representing (self or organisation/s):

Address (if not received by email):

CONFIDENTIALITY

What do you want Ofcom to keep confidential?

Nothing

☐

Name/contact details/
job title

☐

Whole response

☐

Organisation

☐

Part of the response

☐

If there is no separate annex, which parts?

If you want part of your response, your name or your organisation to be confidential, can Ofcom still publish a reference to the contents of your response (including, for any confidential parts, a general summary that does not disclose the specific information or enable you to be identified)?

Yes

☐

No

☐

DECLARATION

I confirm that the correspondence supplied with this cover sheet is a formal consultation response. It can be published in full on Ofcom's website, unless otherwise specified on this cover sheet. If I have sent my response by email, Ofcom can disregard any standard email text about not disclosing email contents and attachments.

Name

Signed (if hard copy)

Annex 3

Consultation questions

Question 1:

What is your view on whether or not mis-selling of fixed-line telecoms services is a serious problem?

Question 2:

Which of the two regulatory options listed in section 5 do you support, and why?

Question 3:

Should Ofcom's policy on 'no cost' cancellation relating to WLR be extended to CPS?

Question 4:

What is your understanding of the term "no cost" cancellation?

Question 5:

Does anything need to be done in relation to the availability of the Consumer Guide?

Question 6:

Is there a need for further material to be made available for consumers as part of providers' sales process?

Question 7:

What is your view on the benefits of establishing an industry-wide initiative and/or guidelines on particular areas of concern to run alongside the published guidelines on sales and marketing codes of practice?

Annex 4

Sales and marketing code of practice for fixed-line telecoms services

Key elements to be included within sales and marketing code of practice

1. Introduction and overview

- 1.1 Key objectives to be outlined:
- To ensure that companies provide consumers with standards of protection over and above those provided by the law (see table below).
 - To ensure good practice and responsible selling in the marketing of fixed-line telecoms services, and to help customers understand the service and behaviour to be expected;
 - To provide a clear framework within which responsible companies should be working, providing reassurance to customers and consumer representatives as to what constitutes good practice in the sales and marketing of fixed-line telecoms services.
- 1.2 The focus to be sales and marketing of fixed-line telecoms services to both business and residential customers, dealing primarily with issues arising before, during and at the point of sale, with particular emphasis on the avoidance of mis-selling and misrepresentation, and ensuring customer understanding of the services offered.
- 1.3 Procedures to be in place for sales and marketing staff, and agents, to be informed of the Code and its contents, and for monitoring their compliance with it.
- 1.4 Procedures to be in place for customers and advice agencies to be made aware of the Code and its contents such as, for example, making reference to the Code in marketing literature.
- 1.5 Company accountability to be visible.

2. Status of code

- 2.1 The Code is voluntary for all companies engaged in sales and marketing activity in relation to fixed-lines telecoms services to business and residential customers.
- 2.2 Compliance with this code does not guarantee compliance with any legal requirement
- 2.3 Non-compliance with this Code does not affect the validity of any contract between the company and the consumer, unless otherwise provided by law.

3. Sales, marketing advertising and promotion

- 3.1 Customer approaches may occur in a wide range of ways e.g. by TV, radio or press advertising, promotions in shops or shopping centres, post, fax, electronic mail, telephone or in person. Regardless of the way in which sales and marketing activities are conducted, companies to act responsibly.
- 3.2 Customers' wishes to be respected where they have registered with any relevant preference service, including the Mailing Preference Service, the Telephone Preference Service, the Fax Preference Service and the E-mail Preference Service.
- 3.3 Advertising and promotion to comply with the British Codes of Advertising and Sales Promotion. In addition, advertising and promotional literature to be clear, unambiguous, accurate and fair, containing no false or misleading information about price, value or service and, in particular, must not denigrate other companies.

4. Recruitment and sales training

- 4.1 Appropriate procedures to be set up for the selection of staff involved with direct contact with customers for the purposes of sales and marketing activity.
- 4.2 Companies to be responsible for ensuring that sub-contractors (third party agencies) also set up equivalent selection procedures.
- 4.3 Whilst operating within current employment legislation, recruitment of sales staff to have regard to:
 - behaviour and appearance, recognising that the sales person may be seen as the 'public face' of the industry;
 - security – references and relevant convictions for criminal offences to be checked and taken into account;
 - evidence of mis-selling or lack of integrity in any previous selling employment.
- 4.4 The following requirements related to sales staff to be observed:
 - the applicant must provide proof of NI number, proof of address and two references;
 - referees cannot be related to the applicant;
 - business referees must not both be from the same company;
 - if a sales person transfers to another company, a copy of his or her records will be retained for a minimum period of three years;
 - the identification badges of staff leaving the company should be returned.
- 4.5 Companies to satisfy themselves that they have taken reasonable steps to ensure that every such person is trained so as to have a sufficient understanding that any relevant advice given by such person is not

misleading. Topics covered to include:

- arrangements for competition in the supply of telecommunications in the UK;
 - the different telephone options provided by the company and how these differ from other competitive telecoms products (which may or may not be offered by the company); for example, Carrier-Pre Selection, Calls & Access and Indirect Access;
 - the process for ordering the telephone service;
 - the relevant principles of consumer protection law;
 - the prices charged by the employing company and its other terms and conditions of service and, in particular, methods of payment, duration of contract and any termination fees;
 - the nature, and cost, of any additional services on offer;
 - the process for cancelling the contract both during the cooling-off period and at any time following commencement of the service; and
 - the existence of the sales and marketing code of practice and the benefits provided.
- 4.6 Responsibility for code compliance by representatives, and any sales agency acting on their behalf, to lie with the company. The company to identify the title of the person accountable for ensuring that the company and its agents observe the code, and the title of the person responsible for handling complaints relevant to the code.
- 4.7 Remuneration systems not to be such as to encourage misleading or exploitative sales practices. The company to be kept informed of incentive schemes used by any agencies it employs for sales and marketing.

5. Customer contact

- 5.1 Discretion to be used when visiting consumers' homes, particularly during the hours of darkness. No face to face contact to be made outside the hours of 08.00 to 20.00, and no telephone calls to be made outside the hours of 08.00 to 21.00, unless at the customer's request.
- 5.2 Representatives involved in face-to-face sales and marketing to be issued with identity badges that clearly display the name of the company they represent and a unique identification number for that representative. The identity badge to also display the representative's name, a photograph of the representative and an expiry date for validity of the card. The information on the card to be presented in such a way that does not require close examination, and the font must be in 14 point. Identity cards must also be made available with key information in braille, on request.
- 5.3 All representatives to immediately identify themselves, the company they represent and the purpose of the call and the expected call duration. If visiting

or meeting in person, they should draw the customers' attention to their identity card.

- 5.4 Reasonable steps to be taken to keep informed of local authority initiatives, password schemes etc, such as the Local Distraction Burglary Initiative.
- 5.5 All representatives to be courteous, use appropriate language and offer clear and straightforward explanations. It is essential that they do not misrepresent the services being offered nor those of other companies. All information should be factual and accurate. Representatives to check that customers entering into contracts understand and intend them.
- 5.6 Representatives to cease contact with any person who indicates that the contact is inconvenient, unwelcome, inappropriate or too long. If the customer requests it, the discussion to be ended immediately and, if making a doorstep call, the premises to be left immediately.
- 5.7 Representatives not to abuse the trust of vulnerable customers e.g. those who are elderly or whose first language is not English, or who have special needs. It is essential that companies have a policy regarding such customers, including that their representatives do not pursue sales presentations to customers whom they believe may be vulnerable.
- 5.8 Where there is sheltered housing, contact to be made with the warden or other person in authority before any approach is made to the customer.
- 5.9. No sales or marketing activity to be conducted that is directed to those who are under the legal age for entering into contracts.
- 5.10 Marketing campaign records to be maintained for four months, including the date and the approximate time of the contact with the customer. Records to be such as to allow subsequent identification of the salesperson(s) involved and to assist in dealing with any complaint or query.

6. *Entering into a contract – information, order forms and contracts*

- 6.1 It is essential that steps be taken to ensure that the person entering into a contract is authorised to enter into the contract for the fixed-line telecoms services/bills at the premises.
- 6.2 Order forms and contract forms to be designed such that the contractual nature of the document is clear to the customer [and it contains a statement of the contractual nature of the document immediately adjacent to where the customer signs the document so the statement cannot easily be obscured or concealed⁸]. Customers to sign over the word "contract".

⁸ this is in order to minimise cases where order forms are misrepresented as confirmations of the sales person's visit. This is likely to be an offence under the Trades Descriptions Acts.

- 6.3 Where a face-to-face approach to the customer takes place the customer to be given the information set out in this paragraph, in writing, in a clear and comprehensible manner:
- essential information including the identity of the company, its address, telephone, fax and e-mail contact details;
 - a description of the telephone service [sufficient to enable the customer to understand the option that the customer has chosen, and how it works];
 - information about the major elements of the service, including the cost of any standing charges, the payment terms, line rental, key call types and details of “protected or special support” arrangements.
 - the arrangements for provision of the service, including the order process and, as accurately as possible, the likely date of provision. Where there may be significant delay in the likely date of provision, the customer to be informed;
 - the existence of a right of cancellation and the process for exercising it;
 - the period for which the charges remain valid; and
 - the minimum period of contract, and minimum contract charges, if any.
- 6.4 Customers to be made aware of the existence of this code, and preferably provided with a summary.
- 6.5 At the customers request, full written information about tariffs to be made available.
- 6.6 If a customer signs an order form following face to face contact, or enters into a written contract, it is essential that the customer be given a copy of the order form or contract, as well as the following details **in writing** either at the same time or within 5 working days, unless previously supplied in writing prior to contract:
- information about any after-sales services or guarantees; and
 - arrangements for the termination of the contract.
- 6.7 Orders placed by distance selling means to comply with Distance Selling Regulations, which are set out in the table below.
- 6.8 In the case of internet orders, a well sign-posted hyperlink to this information which is easily visible to the web site visitor to be prominently displayed with the information being capable of being easily downloaded and printed.
- 6.9 Customers to be permitted to cancel orders and terminate contracts by telephone, in writing, by fax or by e-mail.

- 6.10 Companies to send a mandatory letter to the customer by first class mail within five working days of a contract being agreed informing the customer of the details of the transfer, and the following to be clearly communicated:
- date of notification;
 - CLI(s) affected;
 - list of services affected/unaffected;
 - if relevant, information about IA callbarring;
 - date of switchover;
 - the sender's contacts details for any queries.
- 6.11 The notification will be by letter although may be sent electronically where consumers have initiated contact by applying online, and have confirmed online that they wish all future correspondence to be sent electronically. Otherwise customers would need to positively request by written correspondence that information be sent electronically.
- 6.12 Companies to ensure that the orders they submit do not mature until the statutory cooling-off period has been met.

7. Consumer protection and other legal requirements

- 7.1 Procedures to comply with all applicable legislation (see table below).

8. Audit of contracts

- 8.1 Procedures to be developed to minimise the risk of errors or mis-selling when taking orders/making contracts during face-to-face or telephone selling. Representatives to check that customers entering into contracts understood and intended them, and to carry out regular audits of systems, procedures and documentation.
- 8.2. In all cases, customers to be contacted - not more than five working days of a contract being agreed – in order to confirm that the customer understands that they have entered into an agreement, are happy to proceed with the agreement and are content with the way in which the sales and marketing activity was conducted.
- 8.3 Audit contact can either be as part of the mandatory customer 'notification of transfer' letter referred to in paragraph 6.10 above or through a separate process. Audit contact to be made by a person not involved with the company's sales and marketing activities.
- 8.4 If it is found that the contract was not understood or intended, or if the order matured before the expiry of the cooling off period, and the customer wishes to cancel, companies to terminate the contract without charge or other penalty to the customer. Companies to keep under review the procedures by which contracts are agreed and will take appropriate steps to prevent recurrence of any problem identified from the audit process.

9. Customer complaints procedure

- 9.1 Companies' internal procedures for handling customer complaints to also include those relating to their sales and marketing activities. Companies to

ensure that all their staff and representatives who deal directly with customers are made aware of this procedure, and that they should inform customers of the existence of their complaints procedure on first contact.

- 9.2 The complaints procedure to set out how customers may complain about the company's sales and marketing activity and what further steps are available if they believe their complaint has not been dealt with satisfactorily.
- 9.3 In addition, customers also to be made aware of any dispute resolution arrangements as recognised by Ofcom. Currently Ofcom has approved two schemes: the Office of the Telecommunications Ombudsman ('Otel') and the Communications and Internet Services Adjudication Scheme ('CISAS').
- 9.4 Companies to liaise regularly with Ofcom and the relevant consumer groups to monitor the number and nature of complaints under its code.

10. *Distributing the code: creating awareness*

- 10.1 The code to be available to customers on request, free of charge and in a reasonable range of formats.
- 10.2 The head office of the Citizens Advice (address: Myddleton House, 115-123 Pentonville Road, London, N1 9LZ) plus other head offices of relevant major advice agencies normally to be sent copies of the code and any subsequent update. Companies with restricted operations such as those operating only in specific regions to circulate copies to advice agencies as appropriate.

Legislation of particular relevance to sales and marketing of particular telephony products

Particular attention is drawn to the following regulations, in addition to all other appropriate consumer protection law and advertising Codes of Practice

	Title	Comment
1.	The Unfair Terms in Consumer Contracts Regulations 1999 SI 1999 No 2083	<ul style="list-style-type: none"> introduces controls over unfair standard terms in contracts with consumers requires written contracts with consumers to be in plain, intelligible language
2.	The Consumer Protection (Cancellation of Contracts Concluded away from Business Premises) Regulations 1987 SI 1987 No 2117	<ul style="list-style-type: none"> requires that written notice of cancellation rights (min 7 days) in prescribed form is given to consumers entering into contracts at their homes or in other places (e.g. shopping precincts)
3.	The Consumer Protection (Distance Selling) Regulations 2000 SI 2000 No 2334	<ul style="list-style-type: none"> requires extensive information to consumers before and after consumers enter into contracts using channels of marketing such as direct response press or TV adverts, telemarketing, mail order, etc requires cancellation rights (min 7 working days) to be given to consumers, starting from the date of delivery of prescribed information provides that making demands for payment for services not ordered by consumer is a criminal offence
4.	Telecommunications (Open Network Provision)(Voice Telephony) Regulations 1998 SI 1998 No. 1580	<p>Extensive requirements for system-less resellers and operators of systems licensed by DTI to</p> <ul style="list-style-type: none"> offer written contracts to consumers complying with the regulations; to publish their terms and conditions and tariffs by placing copies in every major office for public inspection during prescribed hours
5.	Misleading Advertising Regulations	
6.	Consumer Protection Act 1987 (Part III)	

7.	Consumer protection legislation	<p>Civil responsibilities</p> <ul style="list-style-type: none"> • Misrepresentation Act 1967 • Unfair Contract Terms 1977 • Sales of Goods Act • Supply of Goods and Services Act 1982 • Consumer Protection 1987 • Sale and Supply of Goods Act 1994 • Control of Misleading Advertising Regulations 1988 • Consumer Protection (Cancellation of Contracts concluded away from Business Premises) Regulations 1987 (amended in 1998) • Unfair Terms in Consumer Contracts Regulation <p>Criminal liabilities</p> <ul style="list-style-type: none"> • Trade Descriptions Acts 1968 • Administration of Justice Act 1970 • Fair Trading Act 1973 • Price Act 1974 • Consumer Protection Act 1987 (Parts II, III, IV and V) • Consumer Protection (Cancellation of Contracts concluded away from Business Premises) Regulations 1987 (amended in 1998) • Consumer Protection (Distance Selling) Regulations 2000
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