

Communications Consumer Panel and ACOD's response to Ofcom's Proposed Plan of Work

The Communications Consumer Panel, established by the Communications Act 2003, is a group of independent experts with direct sectoral experience. We ensure the citizen and consumer voice is represented in communications policy development.

The Panel's job is to ensure that the sector works for consumers, citizens and micro businesses - and in particular people who may be in a more vulnerable position in society. We carry out research, provide advice and encourage Ofcom, governments, the EU, industry and others to look at issues through the eyes of consumers, citizens and micro businesses.

The Panel pays particular attention to the needs of older people and people with disabilities, the needs of people in rural areas and people on low incomes, and the needs of micro businesses, which have many of the same problems as individual consumers.

Four members of the Panel also represent the interests of consumers in England, Northern Ireland, Scotland and Wales respectively. They liaise with the key stakeholders in the Nations to understand the perspectives of consumers in all parts of the UK and input these perspectives to the Panel's consideration of issues. Following the alignment of ACOD (the Advisory Committee for Older and Disabled people) with the Panel, the Panel is more alert than ever to the interests of older and disabled consumers and citizens.

Response

The Panel welcomes the opportunity to comment on Ofcom's strategic priorities for the next financial year. We believe Ofcom's priority work areas and ongoing projects are well-aligned.

Changes for Ofcom in the financial year ahead

We were pleased to see that the UK Government is minded to grant Ofcom new powers to protect consumers from online harms and that they will be collaborating with Ofcom on new and emerging policies to protect consumers from harmful content online. Ofcom's media literacy powers will be a key part of the formulation of these policies. We look forward to discussing how the consumer voice can best be represented in this vital area.

Ofcom's focus on enabling strong, secure networks is crucial as networks that are reliable and resilient to challenge and attack are essential. Communications services now play a fundamental role in the lives and livelihoods of consumers, citizens and micro businesses and we have seen the level of disruption caused by temporary outages to an even greater extent in this last year. We applaud the building of a centre of excellence for security and resilience and Ofcom's continued collaboration with network operators and industry

bodies to ensure networks are protected against outages and cyber-attacks. It is essential that Ofcom is at the forefront of initiatives to close gaps in standards and find and promote best practice. Ofcom should consider also the possibility of an independent audit process and consumer compensation as potential levers to ensure the chances of network's going down are minimised, taking into consideration smaller communications providers as well as larger ones. At a local level, a robust security and resilience strategy should include contingency planning for the physical network.

Looking forward, the use of data in new and innovative ways offers many benefits to consumers and citizens, provided that Ofcom, industry, Governments and consumer bodies work together to develop ethical standards in advance that are reviewed regularly to take into account new ways that data could be used - or abused. The Panel has previously input into the DCMS' ['Secure by Default'](#) programme of work, helping to develop a Code of Practice around consumer use of the Internet of Things. We believe Ofcom should - in the interests of fairness - hold providers to account, encouraging them to nominate a senior leader responsible for data ethics in their organisation.

Data ethics in fields such as the use of Artificial Intelligence (AI) are crucial in future fair practices for consumers, both in terms of tariffs customers are offered and in determining the level of service they will receive. We note and welcome Ofcom's continued work in understanding the way personalised pricing is used across the communications sector and will respond to the forthcoming discussion document. It is important that consumers know how their data will be used and are not discriminated against for opting out. We hope that Ofcom will take whatever compliance and enforcement action its powers will allow to protect consumers from unfair pricing and servicing tactics that may restrict their ability to gain the most from a competitive market - or even risk excluding them altogether.

We previously advised on the proposed midata initiative and look forward to seeing Ofcom's proposals for an Open Communications initiative, to allow customers to share usage data held by their provider with third parties such as digital comparison tools and will input into the debate.

Existing powers and areas of focus

We support Ofcom's core areas of focus, having input into the development of this Plan of Work.

- **Post:** while volumes of letters may be in decline, the importance of the service to those who rely on it remains high - particularly to some older or disabled consumers who are less likely to be online. As highlighted in the consultation document, the parcel delivery sector is not operating fairly to customers in some parts of the UK, and this is something about which we remain concerned. We welcome Ofcom's collaboration with organisations that are in a position to tackle parcel surcharging, especially where Brexit/EU exit may cause further disruption and cost to consumers. Postal users have the right to access a sustainable and

efficient service, wherever they live in the UK. We look forward to learning more about postal users' needs and opinions, through Ofcom's research to be published this year.

➤ **Enabling strong, secure and resilient networks**

As highlighted above, we agree that ensuring the safety and security of the UK's communications networks is vital and support strong action from Ofcom and governments where breaches occur. As we exit the EU, it is vital that Ofcom ensures that any divergence from EU standards does not place consumers or communications networks at greater risk of harm.

➤ **Better broadband and mobile - wherever you are:**

- **Broadband:** we have, for a number of years, highlighted the needs of consumers in rural areas who are not in a position to benefit from competition. We welcome the [Broadband USO](#) as a mechanism to connect consumers who currently have very slow, or no broadband. However, as we have stated previously, and as our national members have heard from stakeholders across the UK in our Nations Hubs, the speed threshold should increase in line with, or ideally anticipate, consumers' needs.
- **Mobile:** As noted in the consultation document, while 5G is now reaching more than 40 UK cities, 33% of the UK still doesn't have 4G coverage from all four mobile operators, enabling consumers to benefit from competition. While 91% of homes and businesses have access to 4G coverage from at least one operator, the figures do not show how many have access via *only* one provider. We believe this is a key metric in determining the level of detriment from a lack of competition.
- **Rural coverage:** We have welcomed the voluntary agreement by all four operators, with UK Government, to operate a 'Shared Rural Network' (SRN), including binding commitments to provide good quality coverage in exchange for up to £500m funding from the UK Government and an auction without coverage obligations. We are hopeful that the SRN will deliver for consumers and look forward to seeing the detail of the agreement. However Ofcom needs to remain in readiness to intervene with tangible penalties if MNOs are not able to deliver on their agreements. We believe that national roaming should be considered as a contingency for failure to meet these commitments. Moreover, although the SRN will hopefully bring improvements for many consumers, we cannot ignore the needs of those who will remain outside the reach of the SRN. Work must continue to ensure that these consumers also receive an acceptable level of service.

➤ **Fairness for customers: we will ensure broadband, phone and TV customers, particularly vulnerable people, are treated fairly.**

We look forward to Ofcom's progress report on its Fairness Commitments, having advised on bringing to life its [Fairness Framework](#) and its guide to [Treating Vulnerable Consumers Fairly](#). The Panel's Industry Forum has been a useful place for communications providers to meet and discuss ways that they can work to best effect to support vulnerable customers.

We welcome the providers' voluntary commitments towards fairness, where these bring about change more swiftly for consumers than would otherwise be the case. It is vital that Ofcom closely monitors voluntary commitments to ensure that these are substantive, and, where these are not working, alternative action can be taken to hold the providers to account.

Having previously advised Ofcom and providers on improvements that were needed in relation to clarity and transparency, we have welcomed moves by providers to make end of contract dates and tariffs - and new contract deals - fairer.

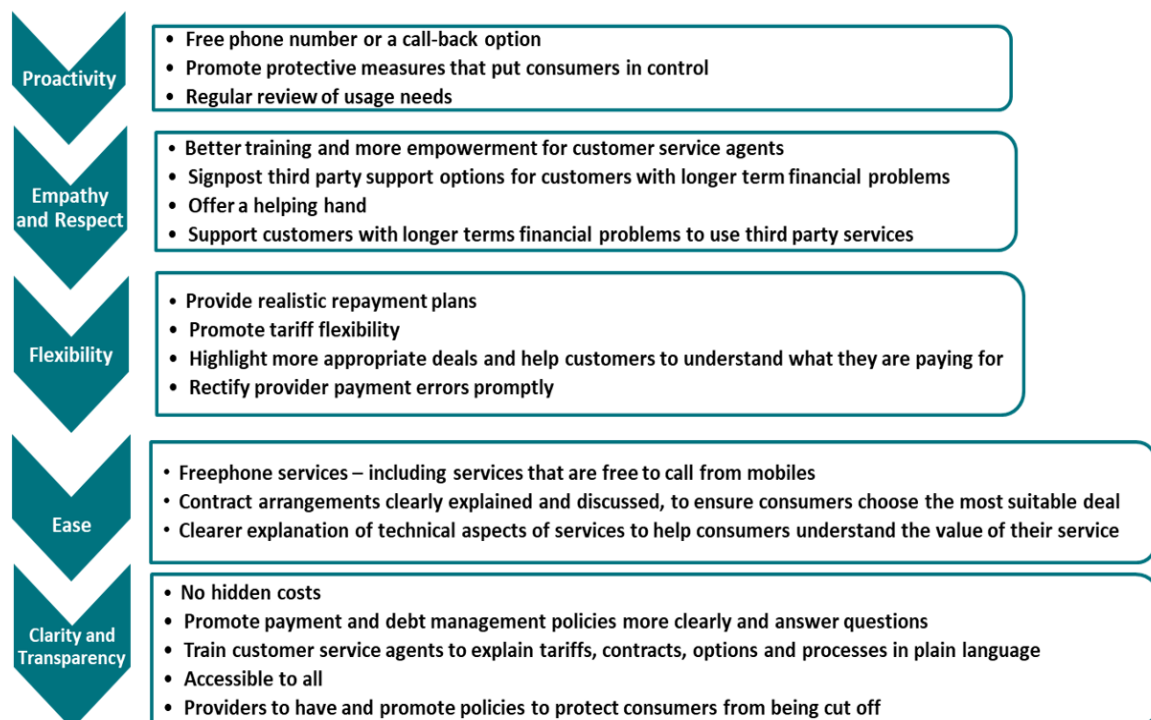
In terms of protecting end-user rights, we welcome Ofcom's plans for implementing the end-user rights section of the European Electronic Communications Code and its proposed changes to the regulatory regime, including new rules on switching and number porting, handset locking, accessibility for disabled customers and consumer information.

Following our work to encourage Ofcom in this area, we are pleased to see the reference to continuing work to ensure fairer, more transparent prices for customers buying mobile handset contracts.

[Automatic compensation](#) for customers waiting too long for broadband or landline repairs and installations, and compensation payments for key service quality failures is a move in the right direction, but we would welcome the expansion of this scheme to include mobile phone services, particularly network outages. Consumers who are left without service due to a network outage currently have to contact their provider to ask for compensation and levels of compensation can vary by provider. Losing connection can be an inconvenience, but for some consumers and micro businesses, who rely on their mobile phone, it can be a worrying and harmful situation. For many consumers and microbusiness connectivity is a critical enabler for their personal wellbeing and/or business success. The Panel's Still Going Round in Circles research revealed that communications consumers with a range of problems with their services, were still suffering in silence. Those who were less assertive were less likely to seek redress. We would like to see providers remove some of the worry and inconvenience by including network outages as a trigger for automatic compensation.

This year, the Panel published its independent research '[Don't cut me off!](#)', looking at the experiences of low income households using communications services. The research identified factors that made consumers on low incomes more or less resilient and our recommendations are grouped around a 'PERFECT' model which highlights a range of simple changes that can be made by providers to improve the experience and support they offer consumers in these circumstances.

The Panel's recommendations were:



We are therefore supportive of Ofcom's plans to introduce a social tariff and would welcome flexibility in the way this operates so that consumers who need to are able to move in or out of the social tariff as their circumstances fluctuate. We welcome the possibility of a 'collective switch trial' designed to help the least engaged customers, including vulnerable customers. In some circumstances switching may not be the best option, however, we welcome supported switching for those who would benefit from it. We highlighted a number of years ago our concern about consumers being discouraged from switching by providers charging for the retention of their email addresses - we are pleased to see Ofcom finally taken action in this area as this practice is of particular detriment to consumers who are less confident online.

Moving to digital lines

We welcome Ofcom's attention to this project, referred to variously across the communications industry as 'migration to VOIP', migration to all IP networks', 'copper switch-off/over/retirement' and 'Future of Voice'. We hope that providers, Ofcom, the

Broadband Stakeholder Group and Governments will work together to agree upon a straightforward name for the project so that consumer organisations can help consumers to understand what is happening and how it will affect them. We look forward to the swift provision of the results of the provider-led trials, which we hope will provide insights into the experiences consumers have had on a small scale, to prevent disruption and harm on a larger scale. We urge Ofcom to conduct wider-ranging research to help gauge consumers' telephony needs and understanding around the impact of moving to digital line.

Nuisance calls and scams

One area of concern for the Panel in moving or migrating consumers to digital lines, is the potential for vulnerable consumers in their own homes to be scammed. We already see the detrimental impact of nuisance calls and scams on UK consumers and we have commissioned research into scams and fraudulent activity more generally, which we will share with Ofcom, UKRN, Stop Scams UK, consumer bodies and communications providers in the aim of collaborating to facilitate change and protecting vulnerable consumers. We would encourage Ofcom to maintain its focus in these areas. We would urge Ofcom to encourage CPs to promote existing services which seek to help consumers more effectively. Communications providers should consider making free nuisance call blockers 'opt out' rather than 'opt in', given the level of distress such calls can bring to consumers.

Ensuring that the voice of the consumer is heard

Over the last year we have strengthened our links with consumer groups, stakeholders and industry, as set out in our response to the [DCMS consultation last summer on consumer advocacy](#). We look forward to taking forward this broader programme of work to strengthen the consumer voice, having established a multi-faceted network across the sector:

An Industry Forum - we established this Forum as a way to highlight issues, debate solutions and disseminate successful approaches and best practice. Providers have been willing participants in the meetings, keen to explore and discuss new approaches and learn from other sectors. The Forum is a constructive space for them to meet and discuss challenges in improving the consumer experience. The Panel invites external speakers from other sectors - who, framed by the providers' needs - are able to inform and inspire better practices in the communications sector.

Consumer Stakeholder Hub - we established this Forum for consumer bodies to ensure the voices of more vulnerable consumers are clearly heard by the regulator. We are continuing to work with the consumer representative bodies of all parts of the UK and will work closely with any future organisations in the area. We recently responded to the latest call for views on the Consumer Scotland Bill and in Northern Ireland have a strong existing relationship with the General Consumer Council, as well as with Welsh and English consumer stakeholders elsewhere in the UK.

Nations Hubs - we established these roundtable meetings to strengthen the consumer voice across the UK by ensuring input from across the devolved nations into telecoms advocacy. Further meetings are scheduled to take place this quarter and we will convene a wide range of stakeholder representatives in the respective Nations to inform the development of Panel advice to governments, Ofcom and providers.

In terms of increasing diversity and inclusion, we would welcome further work on the robust representation and inclusion of older or disabled individuals in broadcasting.

Summary

The Panel welcomes the opportunity to comment on Ofcom's strategic priorities for the next financial year. We believe Ofcom's priority work areas and ongoing projects are well-aligned.

- We welcome the new powers that UK Government is minded to award Ofcom, given its media literacy remit; we look forward to discussing how the consumer voice can best be represented in this vital area;
- We urge Ofcom to take a strong stance on data ethics, to ensure a senior representative at each communications provider takes responsibility for ethical use of AI and algorithms;
- We previously advised on the proposed midata initiative and look forward to seeing Ofcom's proposals for an Open Communications initiative, to allow customers to share usage data held by their provider with third parties such as digital comparison tools and will input into the debate;
- We support Ofcom's core areas of focus, having input into the development of this Plan of Work:
 - We look forward to Ofcom's forthcoming research into the needs of postal services users and while we are disappointed that postal users do not directly feature in Ofcom's Fairness to Customer programme of work, we encourage continued focus on their interests, particularly in parts of the UK that are repeatedly affected by poor service and extra charges.
 - We agree that ensuring the safety and security of the UK's communications networks is vital and support strong action from Ofcom and governments where breaches occur - as we exit the EU, it is vital that Ofcom ensures that any divergence from EU standards does not place consumers or communications networks at greater risk of harm.
 - We support Ofcom's continued commitment to better broadband and mobile, wherever a consumer is - and we encourage Ofcom and governments to work on a contingency in case the promise of the Shared Rural Network does not deliver as expected.

- We also support Ofcom's continued focus on Fairness for Customers, fairer and more transparent pricing and contracts, automatic compensation - and more informed choices for consumers, to enable switching, where appropriate.
- Protecting consumers from harm caused by nuisance calls, scams and misinformation, particularly surrounding wide-ranging changes such as moving to digital lines. Ofcom's policy development, compliance monitoring and enforcement programmes must be well-atuned to the voice of consumers, citizens and micro businesses, so we welcome the opportunity to broaden our programme of work in collaboration with other consumer bodies and stakeholders across the UK.
- Across all of the above areas, an improvement in Ofcom's understanding of consumers' needs will help Ofcom as a regulator to work towards positive, measurable outcomes. The Panel has re-examined the way Ofcom consults with consumers and their representatives, with regard to its policy proposals, and we have provided with an updated set of recommendations, which we would like to see Ofcom embed across its policy processes, from 2020/21.