
Good practice guide to help prevent misuse of sub-allocated and assigned numbers

A guide for telecoms providers

[Good practice guide to help prevent misuse of sub-allocated and assigned numbers](#) – Welsh overview

STATEMENT:

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1. Overview

Protecting consumers from harm is a priority for Ofcom. We continue to be concerned about the ongoing problem of scams facilitated by calls and texts.

Our 2022 consumer research found the problem of scam calls and texts to be widespread, with suspicious calls / messages being experienced by over three quarters of phone users in the UK.¹ Further, over the three-month period covered by our survey, we estimated that approximately 700,000 people could have followed the scammers' instructions in a message or call, risking financial loss and emotional distress if the scam attempt was successful.² Even when not caught out by a scammer, people receiving attempted scams may experience annoyance and distress. Scams also impose costs on the wider economy, including the resources spent by legitimate businesses to support those customers that fall victim to fraud.

A common tactic is for scammers to contact people using a call, often claiming to be from legitimate organisations to trick their victim into providing personal details or making a payment. Using a valid number adds to the legitimacy of the scam.

Ofcom is responsible for the administration of the UK's phone numbers under the Communications Act 2003. Phone numbers are allocated by Ofcom to telecoms providers, who can then transfer the numbers to other businesses or individuals. We have rules in place that set out the responsibilities of those transferring and using numbers.³ However, we have identified inconsistencies and gaps in current practices, particularly in the checks providers carry out on customers requesting numbers and their response when alerted to the use of those numbers for scams.

In February 2022, we consulted on a proposed good practice guide (the Guide). This Guide set out the steps we expect providers to take to help prevent valid numbers being misused, including to facilitate scams. It offers more clarity for providers on how we expect them to meet their existing obligations under our rules. Where providers have these measures in place, it will be harder for people who intend to misuse numbers to access them, helping to reduce harm to consumers from scam calls. When investigating cases involving misuse of numbers, we would expect to take the Guide into account in considering whether enforcement action is appropriate.

This document sets out:

- our consideration of responses to the consultation; and
- a final version of the Guide.

¹ [Ofcom CLI and Scams Consumer Research 2022](#), Table 211, In the three months prior to August 2022, over three quarters of those who use their landline and/or mobile phone to make/receive calls (78%) said they had received at least one suspicious call and/or text message and/or app message on their landline and/or mobile phone.

² [Ofcom CLI and Scams Consumer Research 2022](#), Population estimate: 700k (confidence interval: +/- 300k) Number of UK Adults 16+ who received a suspicious message over text, live call, or messaging app and did as instructed by the message/person (e.g. clicked on a link or provided bank details over the phone).

³ General Condition B1 of the [General Conditions of Entitlement](#).

What we have decided

We have decided to introduce the good practice guide, which sets out steps we expect providers to take to help prevent valid numbers being misused. In particular, we expect providers to:

- carry out a robust set of due diligence checks before sub-allocating or assigning numbers;
- have an approach for identifying where the risks of number misuse are higher;
- put in place contractual controls that enable the provider to meet their regulatory obligations;
- keep the level of risk posed by a business customer under review by monitoring for the potential misuse of numbers; and
- have an appropriate process for responding to reports of potential misuse.

The Guide is intended to help providers ensure they comply with their existing obligations under our rules (General Condition B1). We have made some minor amendments to the Guide to reflect suggestions made in response to our consultation. As the Guide relates to General Conditions that are already in place, it applies immediately.

2. Background and introduction

How we allocate numbers

- 2.1 Ofcom is responsible for the administration of the UK's phone numbers under the Communications Act 2003 (the Act). In carrying out our telephone numbering functions, we have a general duty to ensure that the best use is made of phone numbers and to encourage efficiency and innovation for that purpose.⁴
- 2.2 When allocating numbers to providers, Ofcom seeks information from the applicant which explains their proposed activities and how their network will operate. Examples include:
- how the applicant will interconnect with other networks;
 - whether the services the applicant intends to offer are appropriate to the number ranges applied for and in accordance with the rules in the National Telephone Numbering Plan (the Numbering Plan); and
 - that the applicant has included contact details for a named individual. This information check is repeated every time numbers are applied for.
- 2.3 Once numbers are allocated, the provider is subject to Ofcom's General Conditions (GCs), including GC B1 which includes requirements to ensure numbers are used effectively and efficiently.

We identified problems through stakeholder engagement

- 2.4 Providers allocated numbers by Ofcom ("range holders") are able to sub-allocate those numbers to other providers and resellers ("sub-allocatees") or assign them to end users. Sub-allocated numbers may be further sub-allocated or assigned, and other providers may manage connectivity on the sub-allocatee's behalf.
- 2.5 Through stakeholder engagement, we found considerable variation in:
- how providers manage numbers, including their due diligence checks before sub-allocating or assigning numbers;
 - processes for ensuring their customers use numbers in compliance with the GCs; and
 - how they respond to reports of misuse.
- 2.6 Without appropriate processes in place for managing numbers, there is greater risk that numbers may be misused, for example to facilitate scams.

⁴ [Section 63](#) (General duty as to telephone numbering functions) of the Act.

We consulted on a proposed good practice guide to help prevent misuse of sub-allocated and assigned numbers

2.7 In February 2022, we consulted on a proposed good practice guide that set out the steps we would expect providers to take when sub-allocating and assigning numbers (the February 2022 Consultation).⁵ We noted that many of the measures we set out were based on practices that some providers already have in place. We saw the Guide as consolidating and sharing best practice. We explained that it did not create new obligations but is intended to help providers ensure that they comply with their existing obligations under GC B1. We also explained that, in using the Guide, we would expect providers to take the steps that are reasonable and proportionate for their particular circumstances.

2.8 We received responses to the February 2022 Consultation from:

- 21 telecoms providers;
- 4 individuals;
- 3 consumer groups; and
- 6 other organisations.

2.9 We have published all non-confidential responses on our website.⁶

The Guide is part of Ofcom's work to tackle scam calls and texts

2.10 We are committed to working with partners to reduce the harm from scam calls and texts. The key elements of our response are set out below.⁷

- We aim to **disrupt scams** by making it harder for scammers to use communications services to reach consumers. We are strengthening our rules and guidance, while at the same time supporting providers to develop their own technical solutions to detect and prevent scam traffic.
- Scams are increasingly complex, often involving different companies and sectors. So, a coordinated approach is vital to ensure more scam attempts are blocked or disrupted. We **collaborate and share information** widely, including with Government, regulators, law enforcement and consumer groups.
- Given the pace at which scammers change their tactics, we understand that it will not be possible to stop all scams reaching consumers. We are working to **help consumers avoid scams** by raising awareness so consumers can more easily spot and report them.

⁵ Ofcom, February 2022. [Consultation: Good practice guide to help prevent misuse of sub-allocated and assigned numbers.](#)

⁶ Ofcom, August 2022. [Good practice guide to help prevent misuse of sub-allocated and assigned numbers.](#)

⁷ Ofcom, February 2022. [Tackling scam calls and texts: Ofcom's role and approach.](#)

- 2.11 The Guide is part of our work to disrupt scams. When contacting consumers by phone, scammers often claim to be from legitimate organisations as part of their method of tricking their victim into providing personal details or making a payment. Having access to a valid phone number adds to the scammer’s perceived legitimacy. If providers have processes in place to reduce access to valid numbers by those who intend to misuse them, and respond appropriately when misuse is reported, this should help reduce harm to consumers.

Legal framework

General duties

- 2.12 Under section 3 of the Act, it is Ofcom’s principal duty, in carrying out its functions, to further the interests of citizens in relation to communications matters and to further the interests of consumers in relevant markets, where appropriate by promoting competition.
- 2.13 In performing our duties, we are required to have regard to a number of matters, as they appear to us to be relevant in the circumstances, including the desirability of ensuring the security and availability of public electronic communications networks and services; the needs of persons with disabilities, of the elderly and of those on low incomes; the desirability of preventing crime and disorder; and the opinions of consumers in relevant markets and of members of the public generally.
- 2.14 We are also required to have regard to the principles under which regulatory activities should be transparent, accountable, proportionate, consistent and targeted only at cases in which action is needed, as well as to the interests of consumers in respect of choice, price, quality of service and value for money.⁸
- 2.15 Ofcom has a number of functions in relation to telephone numbers, which are set out in sections 56 to 63 of the Act. It has a general duty in section 63 of the Act to carry out its numbering functions in a way that ensures the best use is made of numbers, encouraging efficiency and innovation for that purpose. It also has a duty to publish the National Telephone Numbering Plan and to keep it under review. The Numbering Plan sets out numbers that are available for allocation and any restrictions on how they may be adopted or used.⁹

General Conditions

- 2.16 Ofcom has powers under section 45(2)(a) of the Act to set GCs and these GCs may apply generally to every provider or to a provider of a particular description specified in the GC.

⁸ Section 3 of the Act.

⁹ Ofcom, [National Telephone Numbering Plan](#).

- 2.17 Under section 58 of the Act, Ofcom has specific powers to set GCs in relation to the allocation and adoption of telephone numbers. This includes imposing restrictions on the adoption of telephone numbers by providers and requirements in connection with the adoption of telephone numbers.
- 2.18 Section 56A(1) of the Act sets out that when Ofcom allocates telephone numbers in accordance with the Numbering Plan, it must specify whether an allocation may be transferred from one person to another and may set out the conditions under which the allocation may be transferred.
- 2.19 GC B1 (allocation, adoption and use of telephone numbers) sets out the terms under which providers may apply for, be allocated and adopt telephone numbers to ensure their effective and efficient use.
- 2.20 In particular, GC B1.6 provides that:
- Where Telephone Numbers have been Allocated to the Communications Provider, that provider shall secure that such Telephone Numbers are Adopted or otherwise used effectively and efficiently.
- 2.21 GC B1.8 requires that:
- The Communications Provider shall take all reasonably practicable steps to secure that its Customers, in using Telephone Numbers, comply (where applicable) with the provisions of this Condition, the provisions of the National Telephone Numbering Plan and the Non-provider Numbering Condition.¹⁰
- 2.22 GC B1.9 sets out requirements in connection with the transfer of use of allocated numbers:

¹⁰ See [Ofcom's Non-provider Numbering Condition](#).

The Communications Provider shall not transfer use of Telephone Numbers from the National Telephone Numbering Plan unless:

(a) the Telephone Numbers have been Allocated to the Communications Provider; or the Communications Provider has been authorised (either directly or indirectly) to Adopt those Telephone Numbers by the person Allocated those Telephone Numbers;

(b) the Telephone Numbers are used in accordance with the National Telephone Numbering Plan; and

(c) the Telephone Numbers are Adopted or otherwise used effectively and efficiently.

- 2.23 In addition to these requirements, providers also have obligations under GC C6 which require them to provide Calling Line Identification (CLI) facilities so that recipients can identify the person calling them.¹¹

Misuse of communications networks and services

- 2.24 Ofcom has powers under the Act to take enforcement action against those who persistently misuse electronic communications networks and services.¹² Misuse of electronic communications networks and services involves using a network or service in ways which cause or are likely to cause someone else, especially consumers, to suffer harm. Misuse is persistent where it is repeated enough for it to be clear that it represents a pattern of behaviour or practice, or recklessness about whether others suffer the relevant kinds of harm.¹³
- 2.25 Under GC B1.18, Ofcom may withdraw an allocation of telephone numbers from a communications provider where:

¹¹ Ofcom has published a final statement on changes to GC C6 and the CLI guidance. See [Improving the accuracy of Calling Line Identification \(CLI\) data](#).

¹² Sections 128 to 130 of the Act.

¹³ See Ofcom, December 2016. [Persistent Misuse Statement](#). The statement sets out examples of forms of misuse including silent and abandoned calls, misuse for dishonest gain – scams, misuse of a CLI facility and use of allocated numbers in a way that is inconsistent with the designations and/or restrictions in the Numbering Plan.

...

(d) the Communications Provider has used a significant proportion of those Telephone Numbers, or has used such Allocation to a significant extent, inconsistently with this Condition, or to engage in fraud or misuse; or

(e) Ofcom has advised the Communications Provider in writing that a significant proportion of those Telephone Numbers has been used, or that such Allocation has been used to a significant extent, to cause harm or a nuisance, and the Communications Provider has failed to take adequate steps to prevent such harm or nuisance.

Impact assessment

2.26 Section 7 of the Act sets out Ofcom's duty to carry out impact assessments. We did not carry out an impact assessment in respect of our consultation on the proposed Guide. This is because Ofcom carried out an impact assessment when the relevant GCs were imposed. We are now publishing the Guide to help providers comply with those existing obligations. We do not consider that the contents of this statement or the Guide impose any additional burdens on providers beyond those required under the GCs, which they should already be meeting.

Equality impact assessment

2.27 Section 149 of the Equality Act 2010 (the 2010 Act) imposes a duty on Ofcom, when carrying out its functions, to have due regard to the need to eliminate discrimination, harassment, victimisation and other prohibited conduct related to the following protected characteristics: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation. The 2010 Act also requires Ofcom to have due regard to the need to advance equality of opportunity and foster good relations between persons who share specified protected characteristics and persons who do not.

2.28 Section 75 of the Northern Ireland Act 1998 (the 1998 Act) imposes a duty on Ofcom, when carrying out its functions relating to Northern Ireland, to have due regard to the need to promote equality of opportunity and regard to the desirability of promoting good relations across a range of categories outlined in the 1998 Act. Ofcom's Revised Northern Ireland Equality Scheme explains how we comply with our statutory duties under the 1998 Act.¹⁴

2.29 To help us comply with these duties, we assessed the impact of our proposal on persons sharing protected characteristics and in particular whether they may discriminate against such persons or impact on equality of opportunity or good relations. We do not consider

¹⁴ Ofcom, January 2014 (updated December 2019). [Revised Northern Ireland Equality Scheme for Ofcom](#).

that our decisions in this statement have equality implications under the 2010 Act or the 1998 Act.

Structure of this statement

2.30 The statement is structured as follows:

- Section 3: scope of the Guide
- Section 4: due diligence checks providers should undertake before sub-allocating or assigning numbers
- Section 5: ensuring continued compliance and reassessing risk after transfer of numbers
- Section 6: responding to incidents of misuse
- Section 7: responses beyond the scope of the February 2022 Consultation

2.31 In each of the sections, we set out our consultation proposals briefly, the consultation responses received and our consideration of the responses.

2.32 The Annexes are set out as follows:

- A1: Good practice guide to help prevent misuse of sub-allocated and assigned numbers.
- A2: Glossary and abbreviations

3. Scope of the Guide

Our proposals

3.1 In the February 2022 Consultation, we explained that the Guide sets out steps that we expect providers to take to help ensure their compliance with GCs B1.6, B1.8 and B1.9. In particular, we proposed guidance for providers on steps to address the risk of numbers being misused. We explained that the Guide is not intended to be an exhaustive list of steps that may be appropriate in order for providers to comply with the GCs. It does not replace any existing obligations but aims to provide more clarity on compliance with the existing requirements.¹⁵

Who the Guide applies to

3.2 We proposed that the Guide, like GC B1, applies to all providers and that it is particularly relevant for providers who are allocated numbers by Ofcom or sub-allocated numbers by another provider.

3.3 We proposed that the Guide applies when numbers are sub-allocated or assigned to end users for the purposes of, or in connection with, a business.¹⁶ In the Guide we refer to the sub-allocatee or business end user as a “business customer”. Where relevant, we proposed Section 5 of the Guide also applies where the end user is a consumer.¹⁷

Consultation responses

3.4 Some respondents, although supportive of Ofcom’s expectation that providers undertake appropriate due diligence, raised concerns about the Guide’s status. [X], Comms Council UK, Simwood and trueCall considered that it would be more effective if Ofcom sought to address the concerns by introducing new legally binding regulation.¹⁸ This would involve changing the GCs and/or the Numbering Plan.

3.5 Simwood considered that issuing guidance side-stepped the legal tests that apply to new regulations, in particular the proportionality test, and this carried with it the uncertainty that our underlying intent could be challenged (and overturned by the courts) in the future.¹⁹ Simwood was also concerned that we were “shoehorning” due diligence on

¹⁵ The scope of the proposed guide is set out in paragraphs 2.23-2.28 of the February 2022 Consultation.

¹⁶ Other than as explained in footnote 17, the Guide does not apply when numbers are assigned to ‘consumers’ as defined in our [General Conditions](#) and as set out in the glossary (Annex A1).

¹⁷ A provider may receive information that a business customer or consumer is misusing a number. The term ‘consumer’ is used as defined in the glossary at Annex A1. We proposed that the principles set out in Section 5 will be relevant when responding to any incident of potential misuse.

¹⁸ [X], [Comms Council UK](#), [Simwood](#) and [trueCall](#) response to February 2022 consultation, page 3

¹⁹ [Simwood](#), Response to February 2022 Consultation, page 2.

number sub-allocation into GC B1.6 and GC B1.9(c) by an over-reliance on the meaning of the words “efficiently and effectively”.²⁰ [3<].²¹

- 3.6 Comms Council UK was also concerned about what it considered to be a novel interpretation of GC B1 and the possibility of a successful legal challenge against a decision which relied on “effective and efficient” to require due diligence.²²
- 3.7 Which? said Ofcom should be willing to regulate formally if it finds the Guide is not working.²³

Who the Guide applies to

- 3.8 Which? said that, in order for the measures to offer protection to all consumers, the Guide should apply to the entire industry including range holders and sub-allocators.²⁴ trueCall stated that the Guide should apply to range holders and any other organisation that trades in numbers.²⁵
- 3.9 TUFF said that Ofcom should consider if the ‘know your customer’ part of the Guide should extend to Skype numbers as a Skype number can also be used for scams that require victims to call the fraudster, especially when the scammer lives abroad.²⁶
- 3.10 Magrathea noted that Ofcom recognised the need to be proportionate in the application of the guidance.²⁷ It suggested this would mean lesser requirements for smaller providers, given its concerns about the ease and speed of resellers’ onboarding processes for new customers.
- 3.11 Vodafone considered our proposed due diligence checks ideal but was concerned that some of the checks would require manual processes and therefore would be unsuitable for automated platforms.²⁸ Comms Council UK had similar concerns and said this could be a barrier to switching and undermine Ofcom’s switching objectives.²⁹ It cited our Open letter to the One Touch Switch (OTS) Steering Group on 3 March 2022, which set out a policy objective of a “quick, easy and reliable” switching process, including a sixty second service level agreement (SLA) as a starting point to meet this expectation.³⁰ [3<].³¹

²⁰ [Simwood](#), Response to February 2022 Consultation.

²¹ [3<]

²² [Comms Council UK](#), Response to February 2022 Consultation, page 6.

²³ [Which?](#), Response to February 2022 Consultation, page 1.

²⁴ [Which?](#), Response to February 2022 Consultation, page 1.

²⁵ [trueCall](#), Response to February 2022 Consultation, page 1.

²⁶ [TUFF](#), Response to February 2022 Consultation, pages 1-2.

²⁷ [Magrathea](#), Response to February 2022 Consultation, page 1.

²⁸ [Vodafone](#), Response to February 2022 Consultation, page 2.

²⁹ [Comms Council UK](#), Response to February 2022 Consultation, page 5-6.

³⁰ Ofcom, March 2022. [Letter to industry: One Touch Switch implementation.](#)

³¹ [3<]

- 3.12 Comms Council UK suggested that we develop different checks for sub-allocation and assignment, rather than applying the same requirements to both processes.³²
- 3.13 Comms Council UK, [3<] and TUFF raised concerns about the Guide only applying in relation to business customers and called for the Guide to apply in instances where services are provided to consumers.³³ TUFF said that otherwise the scammers will simply (as they do right now) present themselves as individuals/consumers and avoid the ‘know your customer’ checks being made.³⁴
- 3.14 Which? said our proposals for due diligence checks for business end users will address the harm from businesses misusing the sub-allocation and assignment process, while not imposing unnecessary burdens on individual consumers in gaining access to a phone number.³⁵ However, it noted that applying due diligence checks only to business customers could present a “loophole”. It added that Ofcom should monitor whether there is any misuse in the system in relation to individual numbers, rather than a range of numbers, to get round these additional checks. Which? also asked Ofcom to clarify whether both individual contract holders and SIM-only customers would be exempt from the due diligence checks in the Guide.³⁶

Ofcom response

- 3.15 Some responses called for Ofcom to introduce mandatory due diligence requirements while others highlighted the need for steps proportionate to the circumstances. The Guide is intended to help providers comply with their existing obligations under GCs B1.6, B1.8 and B1.9 by providing more clarity on Ofcom’s expectations. We would expect to take the Guide into account when considering whether enforcement action is appropriate in cases involving misuse of numbers. However, we recognise there may be different ways for providers to achieve compliance and, in using the Guide, we expect providers to take the steps that are reasonable and proportionate for their circumstances. We therefore consider it appropriate to maintain the measures in the Guide as guidance, giving flexibility for providers to put in place those most appropriate for their business and customers while helping to ensure consistent good practice.
- 3.16 With regard to the concern that Ofcom is “shoehorning” due diligence into existing requirements, GCs B1.6 and B1.9(c) require providers to secure that numbers are used effectively and efficiently. It is clear that where numbers are misused, including to facilitate scams, this is not effective and efficient use. GC B1.8 further requires a provider to take “all reasonably practicable steps” to secure that its customers comply (where applicable) with the provisions of GC B1, the Numbering Plan and the Non provider Numbering Condition.

³² [Comms Council UK](#), Response to February 2022 Consultation, page 5.

³³ [Comms Council UK](#), [3<], and [TUFF](#), Responses to February 2022 Consultation.

³⁴ [TUFF](#), Response to February 2022 Consultation pages 1-2.

³⁵ [Which?](#), Response to February 2022 Consultation, page 2.

³⁶ [Which?](#), Response to February 2022 Consultation, page 1.

We consider it appropriate to provide guidance to help providers ensure they comply with these obligations and, in particular, to set out the steps we expect them to take when sub-allocating and assigning numbers.

Who the Guide applies to

- 3.17 Most respondents agreed that the Guide, like GC B1, should apply to all providers and that it is particularly relevant for providers who are allocated numbers by Ofcom or sub-allocated numbers by another provider.³⁷
- 3.18 We considered TUFF's comments in relation to numbers provisioned by Skype and note that this service is offered for both personal and business use.³⁸ We would expect due diligence checks to be undertaken for numbers assigned to business customers.
- 3.19 How each provider ensures compliance with GC B1 will depend on its particular circumstances. The Guide offers examples of how the measures it includes might be applied in different circumstances, including where proportionality considerations could affect the scale of checks carried out.
- 3.20 We note the concerns related to automated online platforms and recognise these may raise specific challenges. For instance, we understand that a provider's existing processes may not allow it to undertake checks at sub-allocation. In using the Guide, we would expect providers offering services using automated platforms to take reasonable and proportionate steps to achieve the objective of preventing misuse of numbers.
- 3.21 Our 3 March 2022 letter was published in response to industry discussions about the design and implementation of the One Touch Switch (OTS) process and addressed a specific question about the target SLA for the OTS matching process.³⁹ In the letter, Ofcom did not consider business switching. We therefore do not consider the concern expressed about the OTS requirements to be relevant. For the avoidance of doubt, the OTS process applies to residential customers, whereas the Guide applies when numbers are sub-allocated or assigned to business customers.⁴⁰
- 3.22 In relation to Comms Council UK's response, we do not believe it is necessary to set out in the Guide different checks for when providers are assigning and sub-allocating numbers.⁴¹ Providers should use their discretion and apply the checks that are appropriate to the nature of their relationship with the customer in order to meet their obligations under GC B1. Although the type and scale of checks may be affected by whether a provider is

³⁷ Communications Provider is defined in the General Conditions to mean a person who (within the meaning of section 32(4) of the Act) provides an Electronic Communications Network or an Electronic Communications Service.

³⁸ TUFF, Response to February 2022 Consultation.

³⁹ Ofcom, September 2022, [Statement and Consultation: Quick, easy and reliable switching](#), page 123.

⁴⁰ Other than as explained in footnote 17, the Guide does not apply when numbers are assigned to 'consumers' as defined in our [General Conditions](#) and as set out in the glossary (Annex A1).

⁴¹ [Comms Council UK](#), Response to February 2022 Consultation, page 5.

assigning or sub-allocating numbers, it will also be affected by other factors such as any existing relationship with the customer.

- 3.23 We proposed the Guide in response to the inconsistencies and gaps in current practices that we identified through stakeholder engagement.⁴² The Guide is specifically aimed at business customers as we recognise the benefits of a targeted approach at the point of sub-allocation or assignment to disrupt scams. Where relevant, Section 5 of the Guide also applies where the end user is a consumer. As Which? acknowledges, it is important that the Guide does not impose unnecessary burdens on individual consumers in gaining access to a phone number but remains proportionate to the potential harm from the number(s) being used for scams.⁴³ We recognise that the threat continues to evolve and therefore we will continue to assess what we can do to protect consumers.⁴⁴
- 3.24 In response to Which?'s request for clarification as to whether both individual contract holders and SIM-only customers would be exempt from the due diligence checks, they will not be exempt if they are business users.⁴⁵ Providers should undertake checks on the intended use of numbers as suggested by the Guide. The Guide notes that the types of checks and level of scrutiny will depend on the nature of the customer relationship and intended use.⁴⁶ This includes individual contract holders such as a business customer being assigned a single number for use in their business.

⁴² See paragraphs 2.4 to 2.6 above.

⁴³ [Which?](#), Response to February 2022 Consultation, page 2.

⁴⁴ Ofcom, February 2022. [Tackling scam calls and texts: Ofcom's role and approach.](#)

⁴⁵ [Which?](#), Response to February 2022 Consultation, page 1.

⁴⁶ See paragraphs 3.3 and 3.4 of [the Guide].

4. Due diligence checks before sub-allocating or assigning numbers

Our proposals

- 4.1 In the February 2022 Consultation, we explained that, before sub-allocating or assigning numbers to business customers, providers should take reasonable steps to understand the customer who has requested numbers and the potential risk of their misuse.
- 4.2 We set out examples of checks that we considered appropriate for providers to carry out before sub-allocating or assigning numbers to business customers. This is to identify cases where there is a risk of number misuse. We suggested that providers should consider such checks each time they sub-allocate or assign numbers to a new or existing business customer.
- 4.3 We also noted that the checks and level of scrutiny required will depend on the nature of the relationship and intended use of the number.
- 4.4 We proposed the following types of checks:
- a) 'know your customer' checks – both basic level and additional checks;
 - b) checks on intended use and management of numbers; and
 - c) due diligence checks when additional numbers are requested.
- 4.5 We also proposed examples of indicators of potentially high-risk business customers, as well as means of managing the due diligence process.

Consultation responses

- 4.6 Most respondents were supportive of the due diligence checks we proposed. Aloha Telecoms noted that the proposed checks represented typical good practice and gave enough flexibility for different types of business relationships.⁴⁷ Three noted its own 'know your customer' processes and contractual requirements.⁴⁸ Which? was supportive of our aims to set out clear expectations of providers and said that consistency of practice across the sector should support our aim to protect consumers by preventing those with bad intentions from accessing valid numbers.⁴⁹ BT said that it already does a lot of what we proposed (e.g. through its 'know your customer checks' for new customers and checks by its sales teams on the intended use of a number).⁵⁰

⁴⁷ [Aloha Telecoms](#), Response to February 2022 Consultation, page 1.

⁴⁸ [Three](#), Response to February 2022 Consultation, page 2.

⁴⁹ [Which?](#), Response to February 2022 Consultation, page 1.

⁵⁰ [BT](#), Response to February 2022 Consultation, page 3.

- 4.7 Sky said business customers can vary significantly in size and asked us to clarify how checks might vary by the size of customer.⁵¹ It also asked how much discretion providers would have, and when the checks might require a ‘stop-sell’ (refusing to sell to or stopping selling to a customer).
- 4.8 BT and Vodafone highlighted potential resourcing and cost challenges.⁵² For example, BT noted that customers often request spare numbers for allocation, which they may eventually sub-allocate.⁵³ It said that this is typical practice and may be the most time efficient approach. It does not store data on the use of these numbers and believed it would be disproportionate to do so. Vodafone said that the need for adequate due diligence needs to be balanced against providing an easy provisioning path for legitimate customers and the need to keep costs down to be competitive.⁵⁴ On the other hand, Telecom2 said our proposals would not require significant resources to meet.⁵⁵
- 4.9 Comms Council UK questioned why it appeared that more in-depth checks were required for a range holder to sub-allocate numbers to another regulated provider than are required when the range holder is allocated the same resources from the Numbering Plan.⁵⁶
- 4.10 UK Finance highlighted that it is important for different sectors to tighten the level of controls and barriers to help prevent criminals targeting potential victims.⁵⁷ It noted that in the financial sector there are a range of due diligence checks performed, which are a condition of being licensed, to avoid the misuse of licensed facilities. UK Finance also noted that enhanced due diligence checks may also be required in certain circumstances.⁵⁸ This may include when the customer is not physically present when carrying out identification checks. Finally, it raised concerns about the reliability of Companies House data, stating that this data is a passive library with no verification of data submitted.
- 4.11 BT said some of our risk indicators have common legitimate uses, such as:
- a business not using a UK IP address;
 - signing up outside of core business hours; and
 - customers using the same email address for multiple accounts.⁵⁹
- 4.12 Magrathea said it already takes many of the steps we outlined but added that it is particularly keen that any providers who are less conscientious should not enjoy a

⁵¹ [Sky](#), Response to February 2022 Consultation, page 4.

⁵² [BT](#) and [Vodafone](#), Responses to February 2022 Consultation.

⁵³ [BT](#), Response to February 2022 Consultation, page 3.

⁵⁴ [Vodafone](#), Response to February 2022 Consultation, page 2.

⁵⁵ [Telecom2](#), Response to February 2022 Consultation, page 1.

⁵⁶ [Comms Council UK](#), Response to February 2022 Consultation, page 6.

⁵⁷ [UK Finance](#), Response to February Consultation 2022, page 3.

⁵⁸ [UK Finance](#), Response to February Consultation 2022.

⁵⁹ [BT](#), Response to February 2022 Consultation, page 3.

competitive advantage by making the onboarding process simpler for their resellers or customers.⁶⁰

- 4.13 Vodafone said that it would be a hollow victory for Ofcom if “Tier One” providers adopted a gold-plated due diligence process, only for the bulk of customers to vote with their feet and use providers with lower quality due diligence.⁶¹ It said that the practical outcome would be to distort competition and disperse customers into “Tier Two and Three” providers with whom Ofcom has less intimate compliance relationships. It said the need for adequate due diligence needs to be balanced against providing an easy provisioning path for legitimate customers, and the need to keep costs down to be competitive.

Suggestions for additional checks

- 4.14 In the February 2022 Consultation we asked whether respondents had used any other due diligence checks that they thought would be beneficial if adopted across the industry. In response to our question, we received the following suggestions:

- Telecom2 applies the Phone-paid Service Authority’s (PSA) due diligence risk assessment and control measures and includes regulatory requirements in its contracts.⁶²
- trueCall said the ‘know your customer’ checks should include checks on identity and bank details.⁶³ It said providers should be obliged to require that resellers carry out ‘know your customer’ checks on their customers as a contractual obligation.
- One individual [X] suggested that Ofcom or Action Fraud could compile a list of individuals who have been involved in telephone fraud to share with providers.
- TUFF explained that carrying out test calls shortly after provisioning can help expose scams.⁶⁴ For example, numbers requested for a small business may be revealed to be part of a scam if, when called back a few hours later, the business answers to say it is a bank.
- Aloha Telecoms suggested several other risk characteristics for providers to monitor: virtual private network (VPN) use; generic, non-business email addresses; and evasive customer behaviour.⁶⁵

⁶⁰ [Magrathea](#), Response to February 2022 Consultation, page 1.

⁶¹ [Vodafone](#), Response to February 2022 Consultation, page 2.

⁶² [Telecom2](#), Response to February 2022 Consultation, page 2.

⁶³ [trueCall](#), Response to February 2022 Consultation, page 1.

⁶⁴ [TUFF](#), Response to February 2022 Consultation, page 2.

⁶⁵ [Aloha Telecoms](#), Response to February 2022 Consultation page 1.

- TalkTalk⁶⁶ said the premium rate number provisions in the PSA's Code of Practice⁶⁷ likely already fulfil our policy aims for some number ranges.⁶⁸ It proposed that the Guide excludes these numbers and refers to the PSA's Code of Practice instead.
- Three said that requesting use-case approval forms when new ranges are assigned to a service provider is good practice to manage risk.⁶⁹
- Stop Scams UK suggested that providers make use of technologies like open banking or device identification.⁷⁰ It said providers could use Cifas⁷¹ to identify trading styles and directors who have been implicated in fraud. Stop Scams UK also stated that credit risk should be continuously monitored alongside the customer's use of the provided service.⁷²

Ofcom response

- 4.15 We welcome the support for the guidance and note that most providers explain they have a due diligence process in place.
- 4.16 We note Sky's comments in relation to the varying sizes of business customers.⁷³ We expect providers to use their discretion as to the checks that are appropriate to meet their obligations under GC B1, taking into account the customer and nature of their relationship. The 'know your customer' checks should assist providers in determining when a 'stop-sell' may be required.
- 4.17 In relation to Vodafone's comments relating to the need to balance due diligence and providing an easy provisioning path for legitimate customers, we expect providers to take the steps that are reasonable and proportionate for their circumstances and their business.⁷⁴ BT stated that it does not store data on the use of all numbers that it sub-allocates, as some requested numbers may not be used immediately.⁷⁵ As explained in Section 4 of the Guide, we would expect providers to have processes in place to reassess the risk of number misuse after numbers have been sub-allocated or assigned.
- 4.18 We note Comms Council UK's comments regarding the checks on range holders.⁷⁶ The checks that Ofcom carries out before allocating numbers to range holders have been developed in light of our existing relationships with range holders and the telecoms industry. The sub-allocation and assignment of numbers that the Guide addresses will

⁶⁶ [TalkTalk](#), Response to February 2022 Consultation, page 1.

⁶⁷ Phone-paid Service Authority's (PSA), 2021. [Code 15](#).

⁶⁸ Beginning 09, 118, 087 and 070.

⁶⁹ [Three](#), Response to February 2022 Consultation, page 2.

⁷⁰ [Stop Scams UK](#), Response to February 2022 Consultation, page 2.

⁷¹ [Credit Industry Fraud Avoidance System \(CIFAS\)](#)

⁷² [Stop Scams UK](#), Response to February 2022 Consultation, page 2.

⁷³ [Sky](#), Response to February 2022 Consultation, page 4.

⁷⁴ [Vodafone](#), Response to February 2022 Consultation, page 2.

⁷⁵ [BT](#), Response to February 2022 Consultation, page 3.

⁷⁶ [Comms Council UK](#), Response to February 2022 Consultation, page 6.

encompass a much broader range of business and customer types. Therefore, additional checks may be required depending on the circumstances to ensure that numbers are not misused.

- 4.19 We acknowledge UK Finance’s concerns in relation to the verification of Companies House data.⁷⁷ We encourage providers to undertake several forms of due diligence check when provisioning numbers to avoid over-reliance on one source of information. We also note UK Finance’s⁷⁸ comment that enhanced due diligence checks may be required in certain circumstances. The Guide suggests indicators of high-risk customers and advises that, where potentially high-risk business customers are identified, providers should undertake further checks.
- 4.20 We agree that, taken individually, the proposed risk indicators may not necessarily indicate that a customer is high-risk. We state in the Guide that “it is important to note that individually each indicator may not identify a potentially high-risk business customer, but a combination of these indicators might do so”. Providers will need to assess the indicators to inform their decision on whether to sub-allocate or assign numbers.
- 4.21 We note Magrathea and Vodafone’s competition concerns.⁷⁹ Ofcom’s policy intent is to address the considerable variation that we have identified in providers’ management of numbers. When investigating cases involving misuse of numbers, we will take the Guide into account in considering whether enforcement action is appropriate.

Suggestions for additional checks

- 4.22 We note TalkTalk’s suggestion in relation to the PSA’s Code of Practice.⁸⁰ That applies to premium rate services, which are a specific type of service; this Guide has broader application. The Guide should be used in combination with the PSA’s Code of Practice.
- 4.23 We have noted TUFF’s comment that test calls made shortly after provisioning numbers can expose scams.⁸¹ However, we are of the view that this would not be a proportionate measure to include in the Guide as those who perpetrate scams often change their use of numbers quickly.
- 4.24 There would be a number of challenges involved in Ofcom maintaining a list of individuals who have been involved in telephone fraud. We have instead prioritised initiatives such as the Do Not Originate (DNO) list,⁸² which has been shown to be an effective tool in

⁷⁷ [UK Finance](#), Response to February 2022 Consultation, page 4.

⁷⁸ [UK Finance](#), Response to February Consultation 2022, page 4.

⁷⁹ [Magrathea](#) and [Vodafone](#), Responses to February 2022 Consultation.

⁸⁰ [TalkTalk](#), Response to February 2022 Consultation, pages 2-3.

⁸¹ [TUFF](#), Response to February 2022 Consultation, page 2.

⁸² Ofcom compiles a list of certain inbound-only UK numbers and shares it with telecoms providers, their intermediaries and interested parties like call blocking or filtering services, so that outgoing calls from those numbers can be blocked. We refer to this as the ‘Do Not Originate’ (DNO) list. Outbound calls from numbers on the DNO list will be blocked at the network level by providers (where technically feasible) and at the presentation level by call blocking and filtering services. Further detail on the DNO list is included on our website: [‘Do Not Originate’ \(DNO\) list](#).

combating scam calls using spoofed numbers. We suggest in the Guide that providers should check other lists available to them, such as the Financial Conduct Authority (FCA)'s Warning List and the Cifas fraud risk databases.

- 4.25 We agree the use of generic, non-business email addresses and VPNs could also be useful indicators of a high-risk business customer. We have included these in the final Guide.

5. Ensuring continued compliance and reassessing risk after transfer of numbers

Our proposals

- 5.1 In the February 2022 Consultation, we explained that providers should have processes in place to reassess the risk of number misuse after numbers have been sub-allocated or assigned, and to address non-compliant behaviour.
- 5.2 We set out the ongoing monitoring and compliance that providers are expected to do once they have decided to transfer numbers. These measures include appropriate contractual controls, reviewing risk assessments and procedures to address non-compliance.

Consultation responses

- 5.3 Aloha Telecoms, one individual, [redacted], Magrathea, Telecom2, Vodafone, and Which? were supportive of our proposals to ensure continued compliance and reassess risk after the transfer of numbers.⁸³ UK Finance also welcomed our efforts to raise and level the standard of expected due diligence.⁸⁴
- 5.4 Which? asked for more clarity on whether our proposals will apply to the history of a number if it is then re-allocated to a business.⁸⁵ It also questioned whether numbers previously used in incidents of misuse will be recorded and/or published and whether it is possible for these numbers to be re-allocated. It noted that if the numbers cannot be re-allocated, steps should be taken to ensure that there are no third-party sales or spoofing of obsolete business numbers.

Relationship between providers and business customers

- 5.5 TalkTalk asked how the Guide will apply in the wholesale market where numbers are further sub-allocated by wholesale partners of range holders.⁸⁶ It suggested that the definition of sub-allocation should be expanded to reflect the different types of number sub-allocation by original range holders, wholesale partners and downstream resellers, and that the specific responsibilities of providers across the value chain should be made explicit.⁸⁷

⁸³ [Aloha Telecoms](#), [Magrathea](#), [Telecom2](#), [Vodafone](#) and [Which?](#) Responses to February 2022 Consultation.

⁸⁴ [UK Finance](#), Response to February Consultation 2022, page 1.

⁸⁵ [Which?](#), Response to February 2022 Consultation, page 2.

⁸⁶ [TalkTalk](#), Response to February 2022 Consultation, page 1.

⁸⁷ [TalkTalk](#), Response to February 2022 Consultation, page 2.

- 5.6 TalkTalk and Three said providers will not always have visibility of end-users' use of sub-allocated numbers.⁸⁸ TalkTalk said range holders will not have information such as complaints data about numbers sub-allocated by wholesale partners.⁸⁹ BT and Three suggested the Guide should recognise that business customers are better placed to manage risk, with BT suggesting Ofcom provide appropriate guidance for contractual controls, so the onus of the obligations in this section falls to the user of the number and not the provider.⁹⁰
- 5.7 Telcom2 said that good engagement with customers is important to identify and address non-compliance. It believed non-compliance is typically caused by mistakes rather than malice.⁹¹
- 5.8 TalkTalk explained that the Guide needs to reflect that range holders do not continue to have any control or oversight over the use of numbers that have been ported to another network when a business customer moves to another supplier but takes their number with them.⁹²
- 5.9 Aloha Telecoms requested guidance around ported numbers, suggesting all parties in the call chain should work together.⁹³ It also asked for guidance on a scenario where a number is suspected/confirmed as being misused, the provider takes the decision to withdraw the number and then the customer attempts to port the number out.
- 5.10 Aloha Telecoms added that it would be helpful if Ofcom could provide guidance where a number has been ported out from the range holder and the range holder is receiving complaints.⁹⁴ It asked whether the range holder would have any right to suspend/withdraw a number where it has been ported out and the provider the number has been ported to is not (in the range holder's opinion) acting fast enough (after following up on several occasions).

Contractual controls

- 5.11 TalkTalk said that we should update the Guide to give providers sufficient time to make contractual changes.⁹⁵ Vodafone noted that, while it will embed the principles in the Guide into any new agreements and renewals, contracts tend to be long-term, so it may take some time to fully incorporate provisions into the contracts.⁹⁶
- 5.12 Comms Council UK asked Ofcom to state explicitly whether our proposals for contractual controls to ensure continued compliance apply only to contracts entered into after the

⁸⁸ [TalkTalk](#) and [Three](#), Responses to February 2022 Consultation.

⁸⁹ [TalkTalk](#), Response to February 2022 Consultation, page 2.

⁹⁰ [BT](#) and [Three](#), Responses to February 2022 Consultation.

⁹¹ [Telecom2](#), Response to February 2022 Consultation, page 2.

⁹² [TalkTalk](#), Response to February 2022 Consultation, page 2.

⁹³ [Aloha Telecoms](#), Response to February 2022 Consultation, page 1.

⁹⁴ [Aloha Telecoms](#), Response to February 2022 Consultation, page 2.

⁹⁵ [TalkTalk](#), Response to February 2022 Consultation, page 2.

⁹⁶ [Vodafone](#), Response to February 2022 Consultation, page 3.

guidance comes into effect, and/or that any change to incorporate the required compliance is de facto 'administrative' and therefore does not give rise to a penalty-free exit.⁹⁷

Testing and monitoring

- 5.13 BT asked for further clarity on how providers and their customers will implement the testing and where responsibilities lie.⁹⁸
- 5.14 trueCall said ongoing monitoring will be needed as scam call centres can pop up and close very quickly.⁹⁹ trueCall added that providers should run 'know your customer' checks annually or where there is a material change in the business.¹⁰⁰ It suggested that the Guide implied ongoing monitoring was optional and proposed we make it clear that ongoing monitoring was required. trueCall also suggested that Ofcom give better guidance on how often 'know your customer' checks and monitoring should be carried out, and that providers should formalise customer monitoring, record investigations, provide records to Ofcom on request and make quarterly reports to Ofcom.¹⁰¹
- 5.15 Stop Scams UK said that a continuous approach to risk management is essential.¹⁰²

Addressing non-compliance

- 5.16 Comms Council UK was concerned about the suggestion that, where a provider fails to meet a due diligence requirement, a sub-allocation should be withdrawn.¹⁰³ It said this could mean thousands of innocent customers having services withdrawn without notice. It noted that supply chains are complex and said providers would welcome Ofcom expanding on what it considers the consequences of failure of due diligence should be.

Additional suggestions

- 5.17 TUFF called for industry to share numbers linked to fraud or misuse.¹⁰⁴ Which? also said it would be ideal for there to be data sharing across the industry of numbers that have been misused and any that are now obsolete.¹⁰⁵ UK Finance said that there is a need for intelligence gathering in relation to confirmed instances of misuse and that this information should be communicated across the sector to prevent recurrence.¹⁰⁶

⁹⁷ [Comms Council UK](#), Response to February 2022 Consultation, page 2.

⁹⁸ [BT](#), Response to February 2022 Consultation, page 4.

⁹⁹ [trueCall](#), Response to February 2022 Consultation, page 2.

¹⁰⁰ [trueCall](#), Response to February 2022 Consultation, page 2.

¹⁰¹ [trueCall](#), Response to February 2022 Consultation, page 2.

¹⁰² [Stop Scams UK](#), Response to February 2022 Consultation, page 3.

¹⁰³ [Comms Council UK](#), Response to February 2022 Consultation, page 5.

¹⁰⁴ [TUFF](#), Response to February 2022 Consultation, page 2.

¹⁰⁵ [Which?](#), Response to February 2022 Consultation, page 3.

¹⁰⁶ [UK Finance](#), Response to February Consultation 2022, page 5.

- 5.18 One individual [X] said that providers should alert Ofcom to compliance concerns. It said this should prevent customers whose numbers have been withdrawn from just changing provider.
- 5.19 UK Finance stated that, when reassessing risk, changes of circumstance should include not only a big change in the level or type of business activity but also change in the ownership structure of a business.¹⁰⁷ It considered the same checks that are undertaken during the sub-allocation of numbers should be performed as part of the ongoing due diligence checks to ensure details are still valid.
- 5.20 trueCall suggested that Ofcom should:
- provide clear guidance on appropriate responses to misuse (and perhaps publish a catalogue of case studies);
 - make it easier for the public to complain to range holders directly. It suggested Ofcom set up a web page for customers to find, and complain to, range holders' customer services teams. It said that providers should be obliged to respond in a timely manner and update Ofcom; and
 - pass on scam complaints it receives to range holders who would be obliged to investigate. It said that other relevant organisations, such as the Information Commissioner's Office (ICO) and Action Fraud, should do the same.¹⁰⁸
- 5.21 trueCall proposed that providers should ensure that customers comply with Ofcom's Persistent Misuse rules, particularly on returned calls, and monitor their customers using external data.¹⁰⁹

Ofcom response

- 5.22 We welcome the support for the guidance in relation to the reassessment of risk.
- 5.23 We note Which?'s request for more clarity on whether our proposals will apply to the history of a number if it is then re-allocated to a business.¹¹⁰ Numbers that have been previously used and are then reallocated to new users are normally withdrawn by the range holder for an extended period of time to minimise the risk that wrongly directed calls will be received by the new user. Additionally, there are web-based services where individual numbers can be checked for their claimed legitimacy, allowing possible issues with a specific number to be identified. We do not believe it is proportionate to establish an additional process to allow data about the past use of a number to be shared across the industry as a complement to these existing services. Therefore, we would expect providers to undertake due diligence checks and reassess risk, if a number is re-allocated to a business, to ensure any potential risk indicators are identified. It may be appropriate to

¹⁰⁷ [UK Finance](#), Response to February Consultation 2022, page 4.

¹⁰⁸ [trueCall](#), Response to February 2022 Consultation, page 2-3.

¹⁰⁹ [trueCall](#), Response to February 2022 Consultation, page 4.

¹¹⁰ [Which?](#), Response to February 2022 Consultation, page 2.

take into consideration the history of a number as part of this process. Providers should apply these checks in a way that is proportionate to the needs of their business, whilst ensuring they comply with GC B1.

Relationship between providers and business customers

- 5.24 In response to TalkTalk’s question as to how the Guide will apply in the wholesale market,¹¹¹ we emphasise that GC B1 applies to all providers, including whenever numbers are transferred by one provider to another.¹¹² “Sub-allocate” is defined to mean “where numbers are transferred by a provider to other providers or resellers”.
- 5.25 The Guide seeks to give practical examples of how providers can comply with their obligations. As noted in paragraph 2.19 of the Guide, it is particularly relevant for providers who are allocated numbers by Ofcom or sub-allocated numbers by another provider. Providers should use their discretion and apply the checks that are appropriate to the nature of their relationship with their customer in order to meet their obligations under GC B1.
- 5.26 We note the concerns raised by BT, TalkTalk, and Three in relation to the balance of responsibilities and information available once numbers have been sub-allocated.¹¹³ The Guide is intended to help range holders and those sub-allocated numbers to address the risks of number misuse. At each point where a number is transferred, and on an on-going basis, we would expect providers to undertake checks which can reasonably be carried out based on the information that is available to them. We acknowledge that it can sometimes be difficult for a range holder to monitor the use of a number once it is on the network of a sub-allocatee, and that the sub-allocatee may be in the best place to monitor use of that number for ongoing compliance. However, we would expect providers’ contracts to include an obligation that sub-allocatees take all reasonably practicable steps to ensure compliance by their customers.
- 5.27 We note TalkTalk’s comments in relation to oversight of numbers that have been ported away from the range holder¹¹⁴ and Aloha Telecoms’s request for guidance.¹¹⁵ In using the Guide, we expect providers to take reasonable steps to ensure that numbers are not misused. We note Aloha Telecoms’s¹¹⁶ comment that parties in the call chain should work together and we are aware that some providers share intelligence to resolve issues on their networks. In the case of potential misuse, we would expect providers to work

¹¹¹ [TalkTalk](#), Response to February 2022 Consultation, page 2.

¹¹² See GC B1.9

¹¹³ [BT](#), [TalkTalk](#), and [Three](#), Responses to February 2022 Consultation.

¹¹⁴ [TalkTalk](#), Response to February 2022 Consultation, page 2.

¹¹⁵ [Aloha Telecoms](#), Response to February 2022 Consultation, page 1.

¹¹⁶ [Aloha Telecoms](#), Response to February 2022 Consultation, page 1.

together to help determine the current holder of the number,¹¹⁷ in order for them to take action.

- 5.28 We also note Aloha Telecoms’s questions regarding specific porting scenarios.¹¹⁸ It is important to note that providers must continue to comply with the porting rules as set out in GCs B3 and C7.¹¹⁹ However, while we are not able to comment on hypothetical scenarios, we note the following statement in paragraph 9.110 of our October 2020 EECC statement: “We consider that it may be reasonable, in certain circumstances, for a provider to refuse to port a customer’s number if they have evidence that a number is being used for money laundering or to commit fraud or in cases where it is reasonable for the provider to think this is the case”.¹²⁰

Contractual controls

- 5.29 We have considered the concerns raised by Comms Council UK, TalkTalk and Vodafone relating to contract amendments.¹²¹ As set out in Section 4 of the Guide, clear and unambiguous contract terms requiring that numbers are used in compliance with GC B1, the Numbering Plan and the Non-provider Numbering Condition should help ensure ongoing compliance when numbers have been transferred. Providers are required by GC B1.8 to take “all reasonably practicable steps” to secure that their customers comply with those provisions. We note that a number of providers responded that they already include such terms in their contracts. Where providers do not, we expect them to take the earliest opportunity to make the necessary changes. It is for providers to consider the steps necessary to ensure compliance with their obligations, taking into account the nature of their business and customers.

Testing and monitoring

- 5.30 We note the requests for further clarity on testing and monitoring. The Guide explains that the frequency of testing should be based on the level of risk associated with each customer.¹²² Our expectation is that providers should undertake the level and frequency of monitoring that is appropriate to achieve the intended outcome – to prevent valid numbers being misused.

¹¹⁷ i.e. the provider the number is ported to.

¹¹⁸ [Aloha Telecoms](#), Response to February 2022 Consultation, page 2.

¹¹⁹ GC B3 sets out the rules which communications providers must follow when working with each other to allow customers to take their landline and/or mobile number(s) with them when changing provider. In addition, GC C7 (as amended) aims to ensure that customers are sufficiently protected and informed during the process of changing providers and porting their numbers – relevant changes to both GC C7 and GC B3 will come into force in April 2023: Ofcom, [Annex 3: Revised General Conditions \(unofficial consolidated version\) 3 April 2023](#).

¹²⁰ Ofcom, October 2020. [Statement: Fair treatment and easier switching for broadband and mobile customers](#).

¹²¹ [Comms Council UK](#), [TalkTalk](#), and [Vodafone](#), Responses to February 2022 Consultation.

¹²² See paragraph 4.5 of the Guide.

Addressing non-compliance

5.31 We note Comms Council UK's concerns regarding the withdrawal of numbers.¹²³ It is important to note that this is one of the suggested responses to evidence of misuse. Providers should assess the circumstances of the case and take the appropriate action to achieve the best outcome for consumers. For instance, we would encourage providers to work together to ensure that only numbers that have been misused are withdrawn.

Additional suggestions

5.32 We have considered TUFF, UK Finance and Which's comments¹²⁴ in relation to information sharing and recognise its value as set out in our policy positioning statement.¹²⁵ As we explain in that statement, we collaborate with other organisations to help tackle the problem of scams, including by sharing data where appropriate. We also explain how providers are already taking steps to share information to tackle scam calls and texts.¹²⁶ We would encourage providers to continue to share information when appropriate to prevent scams or other misuse.

5.33 We maintain contact with providers and share intelligence in relation to number misuse. In addition, we contact providers on a case-by-case basis to address issues of number misuse identified by using complaints data obtained from a variety of sources.

5.34 We have noted UK Finance's response in relation to the reassessment of risk.¹²⁷ The Guide explains that providers should review their risk assessments on an ongoing basis and update them in response to significant changes to the commercial relationship between the provider and business customer.¹²⁸ This may include performing the same checks that are undertaken during the sub-allocation or assignment of numbers to ensure the details remain valid. The reviews should be tailored to the customer and the relevant risks.¹²⁹

5.35 We note trueCall's suggested action points¹³⁰ and respond as follows:

- trueCall recommended Ofcom publish a catalogue of case studies. The Guide provides guidance and examples of appropriate responses to misuse.
- trueCall suggested Ofcom set up a web page for customers to find range holders' customer services teams. We publish data on which UK telephone numbers are allocated and to whom.¹³¹ Customers may wish to contact a range holder's customer

¹²³ [Comms Council UK](#), Response to February 2022 Consultation, page 5.

¹²⁴ [TUFF](#), [UK Finance](#), and [Which?](#), Responses to February 2022 Consultation.

¹²⁵ Ofcom, February 2022. [Tackling scam calls and texts: Ofcom's role and approach](#), paragraphs 4.22-4.38.

¹²⁶ Ofcom, February 2022. [Tackling scam calls and texts: Ofcom's role and approach](#), paragraphs 4.35-4.38.

¹²⁷ [UK Finance](#), Response to February Consultation 2022, page 5.

¹²⁸ See paragraph 4.7 of the Guide.

¹²⁹ See paragraph 4.4 of the Guide.

¹³⁰ [trueCall](#), Response to February 2022 Consultation, pages 2-3.

¹³¹ [Ofcom numbering data](#)

service team by various methods (e.g. Twitter or email) and these contacts can be found easily via a websearch.

- trueCall recommended Ofcom should pass on scam complaints it receives to range holders who would be obliged to investigate. We agree that complaints about the misuse of numbers are a useful source of data and note that range holders do have access to complaints made directly to them. We share complaint data with range holders where we identify potential evidence of misuse or scam activity. There may also be useful data that can be sourced from external providers.

5.36 We have considered trueCall’s comments that providers should ensure that customers comply with Ofcom’s Persistent Misuse Statement.¹³² The Persistent Misuse Statement sets out Ofcom’s policy on the exercise of our enforcement powers against persistent misuse and includes examples of the kinds of behaviour which Ofcom is likely to regard as misuse.¹³³ We expect providers to have appropriate controls in place to address such behaviour. We note that under GC B1.18(e) Ofcom may withdraw an allocation of numbers from a provider where we have advised a provider that it has been used to a significant extent to cause harm or nuisance and the provider has failed to take adequate steps to prevent such harm or nuisance.

¹³² [trueCall](#), Response to February 2022 Consultation, page 4.

¹³³ Ofcom, December 2016. [Persistent Misuse: a statement of Ofcom’s general policy on the exercise of its enforcement powers.](#)

6. Responding to incidents of misuse

Our proposals

- 6.1 In the February 2022 Consultation, we set out proposed guidance on responding to incidents of misuse where a number is being used by consumers as well as business customers. This included providers' responsibilities to investigate incidents of suspected misuse and in relation to evidence of misuse.
- 6.2 We proposed measures relating to how providers respond to evidence of misuse and encouraged providers to review and evaluate their processes to incorporate lessons learned from previous incidents of misuse. We also proposed guidance on the role of the range holder.

Consultation responses

- 6.3 One individual [redacted], Comms Council UK, Three, TUFF, Vodafone and Which? were supportive of our proposals in relation to how providers should respond to incidents of misuse but also provided comments in relation to the measures.¹³⁴ Some other respondents did not express a view on the measures in the Guide but suggested additional measures.
- 6.4 One individual [redacted] said Ofcom should support providers, particularly smaller providers, to identify and deal with number misuse.
- 6.5 TUFF supported application of these measures to incidents of misuse involving both business customers and consumers.¹³⁵

Encouraging cooperation

- 6.6 Some respondents commented on the relationship between range holders, providers and regulators. Telecom2 called for providers and regulators to collaborate and share more information with range holders.¹³⁶ It noted that some methods of misleading consumers are invisible to the range holder and consumers' providers are more likely to spot them. It was concerned that providers are slow to notify range holders of misuse or provide evidence, which is to the detriment of consumers. It said there can also be a delay in complaints being received by a regulator and range holders being notified.

¹³⁴ [Comms Council UK, Three, TUFF, Vodafone, Which?](#), Responses to February 2022 Consultation.

¹³⁵ [TUFF](#), Response to February 2022 Consultation, page 2.

¹³⁶ [Telecom2](#), Response to February 2022 Consultation, page 1.

- 6.7 UK Finance¹³⁷ highlighted that sharing of real time intelligence and new typologies is critical to prevent attacks being replicated across the sector and provided some suggestions of sources of information, such as typology publications and SMS firewall data.
- 6.8 Comms Council UK¹³⁸ was concerned that agencies such as the Advertising Standards Authority (ASA) take enforcement action against malicious actors without reference to their provider. It considered that there are missed opportunities where Government and its agencies are aware of bad actors but do not seek to hinder their access to the telecoms eco-system. It encouraged Ofcom to facilitate such engagement. [3<] ¹³⁹.
- 6.9 Stop Scams UK¹⁴⁰ said we should consider an Industry Traceback Group (ITG), like that of US Telecoms.¹⁴¹ It said a single industry process to capture, trace and manage misuse could streamline reporting from third parties (e.g. law enforcement and financial institutions). It added that application programming interfaces (APIs)¹⁴² and automated risk scoring could make tackling misuse quicker and cheaper.

Reporting and responding to suspected misuse

- 6.10 trueCall believed some providers are unwilling to provide information about their customers to enforcement authorities, such as police and Trading Standards.¹⁴³ It said Ofcom should require providers to respond quickly to requests from enforcement authorities, and to share details of their numbers. It said this should allow legitimate companies to defend themselves in cases of number spoofing, and enforcement authorities to check against other data sources (e.g. complaints or commercial data).
- 6.11 Magrathea said the Guide should set out who criminal activity should be reported to and in what circumstances, as such reporting is not always a simple process.¹⁴⁴ It said that if Ofcom requires range holders to report providers for investigation, it would be useful to have further guidance on acceptable response times and the percentage of incidents. Aloha Telecoms requested Ofcom to clarify that we would expect providers to work with law enforcement and not penalise a provider for knowingly keeping a number active that is being misused where requested to do so by law enforcement.¹⁴⁵
- 6.12 Aloha Telecoms and Vodafone suggested a register of provider contact details for reporting misuse. ¹⁴⁶ Vodafone said Ofcom should maintain this list.¹⁴⁷ Aloha Telecoms suggested

¹³⁷ [UK Finance](#), Response to February Consultation 2022, page 5.

¹³⁸ [Comms Council UK](#), Response to February 2022 Consultation, page 6.

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¹⁴⁰ [Stop Scams UK](#), Response to February 2022 Consultation, page 3.

¹⁴¹ US Telecom. [Industry Traceback Group](#).

¹⁴² An API is a software intermediary that allows two applications to talk to each other instantaneously to confirm whether an applicant is eligible for a social tariff.

¹⁴³ [trueCall](#), Response to February 2022 Consultation, page 4.

¹⁴⁴ [Magrathea](#), Response to February 2022 Consultation, page 2.

¹⁴⁵ [Aloha Telecoms](#), Response to February 2022 Consultation, page 3.

¹⁴⁶ [Aloha Telecoms](#) and [Vodafone](#), Responses to February 2022 Consultation.

¹⁴⁷ [Vodafone](#), Response to February 2022 Consultation, page 3.

minimum standards for reviewing misuse reports and suggested that providers set target SLAs for doing so.¹⁴⁸

- 6.13 TUFF and Comms Council UK thought that Ofcom should give guidance regarding fraudulent mobile numbers.¹⁴⁹ TUFF suggested that Ofcom could give some examples where it feels the use of a mobile involved in scams could and should be disrupted.¹⁵⁰ TUFF was concerned that mobile providers are slow to act, even when presented with evidence of a scam.¹⁵¹

Ofcom response

Encouraging cooperation

- 6.14 We recognise the value of information-sharing and consider it to be an important element of the response to incidents of misuse. The Guide encourages providers to proactively inform the range holder of suspected misuse of numbers. It also advises that providers should review scams-related information, including scam trends published by Action Fraud, which will help them to identify emerging scam typologies.
- 6.15 As set out in our policy positioning statement, we engage with a range of stakeholders to ensure a joined-up response to the problem of scam calls and texts.¹⁵² The Guide suggests that providers should ensure they are aware of the latest tactics used by scammers: the FCA's Warning List¹⁵³ is an example of a source of relevant information.
- 6.16 We continue to collaborate and share best practice with international regulators. We note the Industry Traceback Group that is in place in the US. As part of longer-term work on CLI authentication¹⁵⁴ that Ofcom is undertaking, we are looking at if and how CLI authentication can enable better traceability of numbers.

Reporting and responding to suspected misuse

- 6.17 Ofcom expects providers to meet their relevant legal obligations and to cooperate as appropriate with law enforcement and other relevant organisations. However, the detail of how this cooperation should work in practice is a matter for those bodies.
- 6.18 Ofcom will consider incidents of misuse on a case-by-case basis. Any need for enforcement action will be determined on the facts of the case in accordance with our Enforcement Guidelines.¹⁵⁵

¹⁴⁸ [Aloha Telecoms](#), Response to February 2022 Consultation, page 3.

¹⁴⁹ [TUFF](#) and [Comms Council UK](#) Responses to February 2022 Consultation.

¹⁵⁰ [TUFF](#), Response to February 2022 Consultation, page 2.

¹⁵¹ [TUFF](#), Response to February 2022 Consultation, page 2.

¹⁵² Ofcom, February 2022. [Tackling scam calls and texts: Ofcom's role and approach](#)

¹⁵³ [FCA warning list](#)

¹⁵⁴ The implementation of standards that make it possible for the network originating a call to confirm the caller's authenticity before passing it to the network of the person receiving the call.

¹⁵⁵ [Ofcom's Enforcement guidelines](#)

- 6.19 Ofcom recognises the value of a contact list as well as target SLAs for reviewing misuse reports. We have amended paragraph 5.4 of the Guide to reflect Aloha Telecoms’s recommendation as it relates to SLAs. Ofcom would encourage providers to implement these where appropriate.
- 6.20 We note Comms Council UK and TUFF’s request for additional guidance regarding fraudulent mobile numbers.¹⁵⁶ Section 5 of the Guide provides some examples of how misuse (including scams utilising mobile numbers) should be responded to, including by applying temporary blocks to numbers or customer accounts, suspending some services or using contractual controls. We expect providers to respond in an appropriate and timely way to evidence of misuse.

¹⁵⁶ [Comms Council UK](#) and [TUFF](#), Responses to February 2022 Consultation.

7. Responses beyond the scope of the February 2022 Consultation

Consultation responses

7.1 We received the following responses that were out of the scope of the consultation:

- Which? suggested adding numbers that have been misused and are now obsolete to the DNO list.¹⁵⁷
- One individual [redacted] suggested some amendments to the Telephone Preference Service.
- Telecom2 highlighted paragraph 2.8 of the proposed Guide, which set out that “we will collaborate and share information more widely, including with Government, regulators, law enforcement and consumer groups.”¹⁵⁸ It suggested that such sharing should be extended to range holders.
- TUFF said that the Guide does not address the problem of scammers (in the majority of scams) trying to get a victim to return a call.¹⁵⁹
- Sky stated that since the allocation of additional numbers is only one way through which scams can occur, it would be useful if Ofcom could confirm whether it is in providers’ discretion as to when further checks are undertaken.¹⁶⁰

Our response

7.2 The DNO list is specifically designed as a solution to help prevent spoofing of high-risk numbers allowing scammers to exploit consumers. It has not been designed to tackle numbers that have been misused and are now obsolete. We are unable to accept submissions for old (i.e. previously used) numbers, as these numbers may have been reassigned to another user. Also, some older numbers may be in number ranges which are returned to Ofcom. These are usually quarantined for some time before they are reallocated for use. For information about unallocated and protected numbers, and other types of numbers that should not be used, providers should refer to other information such as Ofcom’s National Numbering Scheme¹⁶¹ and the list of long-term protected number ranges.

¹⁵⁷ [Which?](#), Response to February 2022 Consultation, page 3.

¹⁵⁸ [Telecom2](#), Response to February 2022 Consultation, page 1.

¹⁵⁹ [TUFF](#), Response to February 2022 Consultation, page 1.

¹⁶⁰ [Sky](#), Response to February 2022 Consultation, page 4.

¹⁶¹ [Ofcom numbering data](#)

- 7.3 The Telephone Preference Service relates to live marketing calls and is maintained by the ICO. We provide advice to consumers on how to avoid scams on our website, and guidance on how reduce the number of nuisance calls and what to do when you receive them.¹⁶²
- 7.4 We note Telecom2’s comments on our collaboration and information-sharing.¹⁶³ The list was not intended to be exhaustive; our policy positioning statement provides further information on our stakeholder engagement including with industry.¹⁶⁴
- 7.5 We note TUFF’s comments in relation to the scope of the Guide.¹⁶⁵ Our policy positioning statement sets out further background on the prevalence and changing nature of scams, their impact and the key elements of our response.¹⁶⁶ This Guide is part of our response and seeks in particular to address the considerable variation in the checks that providers undertake before and after transferring numbers to prevent misuse. We know that scammers will find other ways to reach consumers and no single organisation can solve the problem alone. In following this Guide, we expect providers to identify risk indicators for business customers who may be involved in scams and act accordingly. We will continue to work on addressing emerging and existing scams, such as those trying to get a consumer to return a call.
- 7.6 We note Sky’s comments in relation to further checks unrelated to number allocation or assignment.¹⁶⁷ The Guide is not an exhaustive list of the steps that may be appropriate to secure compliance with the relevant GCs. Providers should consider what further steps they should take to ensure compliance with their obligations.

¹⁶² Ofcom, [How to protect yourself from nuisance calls and messages](#).

¹⁶³ [Telecom2](#), Response to February 2022 Consultation, page 1.

¹⁶⁴ Ofcom, February 2022. [Tackling scam calls and texts: Ofcom's role and approach](#).

¹⁶⁵ [TUFF](#), Response to February 2022 Consultation, page 1.

¹⁶⁶ Ofcom, February 2022. [Tackling scam calls and texts: Ofcom's role and approach](#).

¹⁶⁷ [Sky](#), Response to February 2022 Consultation, page 4.

A.1 Glossary and abbreviations

Assigned (in relation to phone numbers): where numbers are transferred to end users i.e. individuals and businesses.

Calling Line Identification (CLI): means data that enables identification of the number from which a call could be made or to which a return call could be made.

CLI authentication: implementation of standards that make it possible for the network originating a call to confirm the caller's authenticity before passing it to the network of the person receiving the call.

CLI data: means the contents of all signalling messages which can be used between Communications Providers and/or between Communications Providers and End-Users to signal the origin of the call and/or the identity of the calling party, including any associated privacy markings.

Consumer: is defined in the General Conditions as meaning any natural person who uses or requests a Public Electronic Communications Service or Bundle for purposes which are outside his or her trade, business, craft or profession.

Customer: is defined in the General Conditions and, in relation to a Communications Provider, means the following (including any of them whose use or potential use of the network or service is for the purposes of, or in connection with, a business): (a) the persons to whom the network, service or Bundle is provided in the course of any business carried on as such by the Communications Provider; (b) the persons to whom the Communications Provider is seeking to secure that the network, service or Bundle is so provided; (c) the persons who wish to be so provided with the network, service or Bundle, or who are likely to seek to become persons to whom the network, service or Bundle is so provided.

Do Not Originate (DNO) list: a list, set up by Ofcom and UK Finance, of certain telephone numbers used only for inbound calls that would not be used to call consumers.

End user: is defined in the General Conditions and means in relation to a Public Electronic Communications Service or Bundle: (a) a person who, otherwise than as a Communications Provider, is a Customer of the provider of that service or Bundle; (b) a person who makes use of the service or Bundle otherwise than as a Communications Provider; or (c) a person who may be authorised, by a person falling within paragraph (a), so to make use of the service or Bundle.

General Conditions (GCs): [conditions](#) set by Ofcom under section 45 of the Communications Act 2003.

Geographic number: a telephone number that is identified with a particular geographic area.

Impersonation scams: where scammers claim to be from legitimate organisations to try to trick people into giving away personal details or making a payment.

Non-geographic number: any telephone number other than a geographic number

Nuisance calls: may include unwanted attempts to promote a product or service, as well as silent and abandoned calls. Nuisance calls are likely to cause annoyance, inconvenience and anxiety to consumers.

Provider: communications provider, defined in the General Conditions to mean a person who (within the meaning of section 32(4) of the Act) provides an electronic communications network or an electronic communications service.

Range holder: the provider to whom a particular number range or block has been allocated by Ofcom.

Scam calls and texts: calls and texts primarily aimed at defrauding consumers, either by tricking them into revealing personal details or into making a payment.

Spoofing: where callers hide their identity by causing a false or invalid phone number to be displayed when making calls. Those making such calls will create a phone number that appears like a phone number or may even mimic the number of a real company or person who has nothing to do with the actual caller.

Sub-allocate: where numbers are transferred by a provider to other providers or resellers.

Unwanted calls: calls that consumers do not want to receive. These can range from nuisance calls, through to scams.

A.2 Good practice guide to help prevent misuse of sub-allocated and assigned numbers – final version

The Good Practice Guide can be found here: [Annex 2: Good practice guide to help prevent misuse of sub-allocated and assigned numbers – final version.](#)