

Response From The Premium Rate Association

Question 1:What are your views on the strategic principles that Ofcom proposes to apply to its numbering policy decisions? : The strategic principles appear to be reasonable and consistent with the views expressed by Ofcoms predecessor although considerable thought needs to be given as to how information regarding the 'meaning of numbers' is best communicated to consumers to allow them to make informed choices regarding price, content and provider.

The acid test will be Ofcoms ability to deliver a Numbering Plan which meets its strategic aims.

Question 2:What do you think are consumers' key current views on numbering, how do you think those views will change, and how should Ofcom's current decisions take those changes into account? : Ofcom needs to balance the necessity for change due to technology developments and efficient number management against consumer resistance to changes which are variously perceived as being costly, bureaucratic, unnecessary, a product of lack of foresight or driven by a European government desire to break down regional or local identity. The key to successful number management is communication and although it will be impossible to satisfy everyone, a clear message regarding the benefits of any proposed changes will soften their impact.

Question 3:What do you think are the main ways in which technological developments will change the focus of numbering policy decisions, and how should Ofcom's current decisions take these developments into account? : As clearly stated in this document, the movement away from legacy systems towards NGN's, VoIP and fixed/mobile convergence will fundamentally alter the rationale for structuring numbering ranges. Ofcom needs to create a flexible Numbering Plan that meets the needs of existing operators as well as new entrants to this rapidly changing market whilst also making provision for the emergence of new and currently unknown services. Messages regarding the benefits of new technology need to be communicated clearly and information such as 'the location of call origination/destination will have no impact on call cost' will need to be reinforced. Ofcom needs to stress that capitalising upon the potential benefits delivered by technology changes in the short term (removal of porting constraints, smaller number block allocations) will minimise the need for further changes in the medium to long term .

Question 4:Do you have any comments on Ofcom's assessment of the current challenges to the Numbering Plan, in terms of a) number availability, b) transparency, or c) consumer abuses? : We would agree with Ofcoms assessment of current challenges to the Numbering Plan in terms of number availability and accept that legacy telecommunications technology present certain constraints which drive an unsatisfactory and inefficient numbering structure, a consequence of which is a significant shortage of numbers in some areas, even though the allocated number ranges are under utilised and more worryingly cause consumer confusion.

A balance needs to be struck between ensuring adequate availability of numbers within the ascribed categories and maintaining the intended transparency regarding

cost and content. The existing structure of the PRS number range provides a good example of where the current system has failed as there are insufficient numbers available in certain ranges to meet the tariff transparency objectives which are necessary to enable consumers to make informed choices. We flagged up our concerns regarding this issue in the 1998 Numbering Consultation predicting that the proposals outlined at that time would result in number shortages and consumer uncertainty

Throughout this document premium rate services are presented in a very negative light with the terms 'harm' and 'detriment' used in conjunction with descriptions of services provided within this category. The quoted views of consumer focus groups are presented as being indicative of the views of consumers as a whole and portray the industry as being one which is operated by unscrupulous fraudsters. The increased popularity of services offered at a premium has now created a billion pound industry and are used regularly, without complaint by a significant sector of the population. TV shows such as 'X Factor', 'I'm A Celebrity?', 'Who Wants to be a Millionaire?' feature premium rate voting lines and attract huge support, mobile screensavers and ringtones are downloaded in their thousands every day by satisfied customers and the well respected ITV brand is devoting a whole channel to the promotion of premium rate Quiz's and Competitions and yet the only media exposure for these services seems to be when the system is abused by a minority of operators who choose to ignore their legal or regulatory obligations .

The Regulator does have existing enforcement powers which they have on occasion been reluctant to use. This was evidenced in the slow reaction to rogue dialer activity, when a narrow interpretation of EU law rather than common sense ruled out early Licensing of dialer operations which exacerbated the harm which followed.

The Regulator has a responsibility to represent the premium rate industry fairly and to build consumer trust by not giving a disproportionate amount of attention to where the system fails but also to promote the more positive aspects, thus influencing consumer opinion and more accurately reflecting the real state of this popular and growing industry.

The symbol chosen to represent the '09 Premium Rate Services' is '£', reinforcing the negative 'high cost' aspect of the services even though , if Ofcoms proposals are implemented, the sector will include adult services offered at a rate of less than 10p per minute.

Question 5: Do you agree that the extension of conservation measures is the best approach to take before the impact of NGNs eases the pressure on geographic number demand?: Any solution which minimises the need to initiate short term numbering changes, with all their attendant costs and associated inconvenience should be supported as long as it doesn't place an undue burden upon network operators and service providers. If the extension of conservation measures is the best way to achieve this goal then we support its introduction.

Question 6: Do you agree that the use of overlay codes is the best backstop approach in the event that extended conservation measures are not sufficient to meet demand for geographic numbers?: The option of introducing 'wide area codes' to address local number shortages is completely unsatisfactory and would prove costly, hugely unpopular and would extend the impact of a localised problem across a far wider area.

The withdrawal of local dialing may require some changes to consumer behavior but if communicated clearly would involve minimum disruption as the code used would be familiar to the consumer. With the increased penetration of mobile phones most consumers are now used to dialing full numbers and many use the auto-dial facility from their phone memory.

The use of overlay codes offers a number of advantages which will have minimum consumer impact and is preferable to the introduction of wide area codes.

Question 7: Do you agree that Ofcom should continue to respect the geographic identity of numbers until consumer understanding of the impact of technology change evolves further, and what do you consider is the best way to develop that consumer understanding? : Feedback from consumers seems to support the fact that significant value is placed upon geographic numbering as it provides tariff and location transparency and a sense of community therefore we support its retention for as long as is feasible. We would also stress that extensive work needs to be undertaken to raise consumer awareness regarding the nature of new technologies and the impact they will have on issues such as telephone numbering.

Question 8: Do you agree with Ofcom's proposal to open a new '03' number range for non-geographic, non-revenue sharing services? : We would support the opening up of the 03 number range for non-geographic, non-revenue sharing numbers as long as the communication of such a change does not add to consumer confusion and the migration from existing 08 range numbers is handled constructively with adequate industry consultation.

It is essential that changes such as these do not create more problems than they solve and that loopholes, which historically have provided opportunities for the less scrupulous to operate outside the proposed regime, are closed.

Question 9: How should the '03' range be structured, in terms of tariffs and services? : There is very little evidence to support the fact that consumers understand complex numbering sub structures or even the distinction between local and national numbers therefore it appears unnecessary to restrict flexibility by splitting 03 into 034 or 037. Option c) which would open 03 for different services also appears to be restrictive and so the preferred option would appear to be (b) which proposes using a memorable number for national calls.

Question 10: How should the '08' range be structured, in terms of tariffs and services?: The Ofcom Statement 'NTS - A Way Forward' makes a number of proposals regarding the restructuring of the 08 number range, including:-
'The migration of all adult content services from 08 to 09, irrespective of charge, to allow a greater level of access control.

- ? The opening of a new 03 range for non revenue share, non geographic services, to which existing 0870/0845 services will be encouraged to migrate.
- ? The removal of revenue share on 0870 and eventually 0845.
- ? The extension of the ICSTIS remit to include the regulation of the revenue sharing 0871 numbers.

These proposals further dilute the simple consumer message that premium rate services are delivered over the 09 number range and are regulated by ICSTIS who can provide assistance in the event of consumer query or complaint. The principle had already been diluted by bringing the regulation of Directory Enquiry Services under ICSTIS control and now a further number range (0871) is deemed suitable for the premium rate regulators scrutiny.

So are we to assume that the definition of ICSTIS regulated 'premium rate' now extends to-

- ? all revenue share services- which will officially include 0871 and unofficially any residual 0870, 0845 or 070 numbers which continue to share revenue against regulatory direction (Ofcom concede that they have been unable to stop 070 'personal number' revenue share despite it being outlawed in 2001)?
- ? All 09 services charged at above 10ppm - apart from those below 10ppm deemed suitable for 'premium rate regulation', namely those regarded as containing 'adult' content.

Maybe the time has arrived for a radical rethink about the whole sector and whether the designation 'premium rate' is still suitable or adequately reflects ICSTIS's primary regulatory obligations. We are mindful of the fact that bringing all revenue share services under ICSTIS control creates the potential for pulling in credit card activity but surely it is possible to find a definition of services which clearly excludes such transactions?

Is there an argument for including within the ICSTIS remit certain 07 numbers, which arguably deliver content at a premium, or any service which potentially leads to consumer harm - which could include 0844, if it provides a haven for those wishing to avoid increased regulatory obligations elsewhere within 08 - or even those abusing the 06 or 03 designations by misleading consumers regarding services provided over those ranges- in fact where will this 'regulatory creep' end?

Ofcom in deciding how to restructure 08 should concentrate upon-

- ? Do the proposed changes deliver added tariff transparency for the consumer?
- ? Do the proposed changes reduce the potential for consumer confusion regarding the nature of the services delivered over the different number ranges?
- ? Do the changes only increase industry obligations in areas which merit increased regulatory intervention due to proven potential for consumer harm?
- ? Are the increased regulatory burdens and associated costs placed upon those brought under the ICSTIS regulatory umbrella fully justified?
- ? Has the case for removing revenue share from 0870/0845, in the light of other proposed changes to the numbering structure, been adequately made considering the additional burden and additional costs which will be incurred by thousands of , often

small, businesses?

We do not believe that the solution proposed fulfills the requirements outlined above.

Question 11: Which broad approach should Ofcom take to structuring the '09' range, and if a re-structured '09' range is preferred how would you arrange the different types of '09' services (e.g., according to price per minute, price per call, inclusion of adult content)? Whilst we accept that Ofcom has certain obligations with regard to rebuilding consumer trust in 09 numbers it has to achieve this in such a way as to add to consumer knowledge and without causing undue harm to the industry. Ofcom's suggestions regarding how the 09 range should be structured does nothing to clarify the situation and has failed to provide any information as to how greater number transparency will be conveyed to consumers. Currently there is a distinction between 0908/9 ranges which deliver adult content and other PRS ranges which should not, and if, as surveys seem to indicate, this very simple and straightforward distinction is not understood by the majority of consumers what hope does Ofcom have of conveying a far more complex message?. The idea of assigning numbers in ascending order of consumer detriment involves subjective judgment which will cause concern to those who are offering services which meet all regulatory and legal obligations but were classified within the higher end 'extreme consumer detriment' category.

The PRA would support either Option 2, as this reflects a realistic and achievable position (with the proviso that number ranges are reserved for adult sexual content and for non sexual content, such as gambling) or, rather than allowing the status quo to prevail an alternative 09 structure built on simple price bands, increasing in value as numbers increase (up to 097/098 which should be reserved for adult).

Isolating adult services against identifiable number ranges would allow them to carry additional requirements in terms of age verification and could be supported by obligations laid down in the ICSTIS CoP. These adult categories would be the most likely to have optional barring arrangements associated with them should this be technically feasible.

The proposals laid out in Ofcom's Consumer Policy document should assist in diminishing the impact of consumer harm and Ofcom will need to promote these proposals in order to rebuild consumer trust.

Ofcom must seize this opportunity to help both industry and the consumer. If absolute clarity is not provided then those who currently avoid regulation by operating on particular tariffs will move to other revenue sharing options. It could even be envisaged that network operators in the PRS market would be able to point NTS ranges to PRS numbers and data fill their switches by exploiting opportunities presented by the introduction of over-layer codes as in your Brighton 01272 and 01273 example.

Question 12:Should any specific PRS service categories be identified or segregated in order that parents can block access by their children (e.g.,sexually explicit content, gambling)? Is there merit in having a general ?adults only? classification, including a range of services to which access might be restricted on the grounds of content, or might consumers wish to apply different rules for different types of content?: Whilst the PRA supports the creation of ranges for adult content services, of both a sexual and non-sexual nature, which would have specific obligations, included in the ICSTIS CoP, associated with operating them, we have reservations about whether mechanisms exist to adequately police this regime and believe that sexual content services would continue to operate on other number ranges.

Question 13:Are there any practical means by which the Numbering Plan could provide improved mobile tariff transparency?: We support 07 being retained for mobile numbering but believe there are significant difficulties associated with providing additional tariff transparency without intervening in the mobile networks commercial pricing strategies.

Question 14:Do you agree that personal numbers should have a tariff ceiling (or recorded message) to restore trust in those numbers? If so, what level, and should that ceiling include the cost of recorded messages? : As the Regulator points out, a number of measures were taken in 2001 to minimise consumer detriment arising from the abuse of the 070, but the abuse still continues. Why has Ofcom not done more to take action against those who are in breach of the revised arrangements by continuing to operate revenue share services on these numbers and why has nothing been done in the past five years to raise consumer awareness regarding the appropriate use for this number range? Unless changes to the Numbering Plan are adequately communicated and existing enforcement powers are used there is little point in initiating change.

We do not support a tariff ceiling being applied as there is no evidence to suggest that cost equals harm. This was exemplified when, live multi-party chat services, offered at less than 10ppm, bankrupted the compensation fund and led to a Monopolies and Mergers Commission investigation.

Question 15:Do you agree with Ofcom?s proposals to move personal numbers (with the same consumer protection provisions) to the ?06? range and to pursue the direct allocation of numbers to end users as proposed at some point in the future?: If it is anticipated that there is sufficient market for ?follow- me-anywhere? numbers and the 07 range is to be allocated to mobile services alone, there may be some merit in using the 06 range to create a clear marketable brand for this activity.

Measures must be introduced to communicate these changes to consumers and opportunities to abuse the brand must be eliminated if and when they are identified.

Question 16: Do you have any comments on the use of the 05 number range?: Although the 05 range is used for a miscellany of purposes for services which don't have a 'natural fit' elsewhere, it should not be forgotten that this range contains a huge untapped number resource which could be utilised in preference to widespread, complex or confusing changes elsewhere.

Question 17: Do you agree that Ofcom's overall proposals for a future Numbering Plan are coherent and comprehensive, and do you have any comments on the timescales in which the changes should be implemented?: Ofcom's time scales need to give industry sufficient opportunity to migrate numbers to the newly designated ranges without a great deal of unnecessary expenditure or inconvenience. The migration from 08 to 03 will need to be carefully managed as there is potential for extreme consumer confusion over what is and what is not included in their operator call packages.

Question 18: Do you agree with the principle of using consumer protection tests in numbering in order to limit consumer abuses, as long as the relevant legal tests are met? Do you have any suggestions for what tests would be appropriate or any conditions that should be met to pass such tests?: The PRA has always maintained that the most effective route to consumer protection is by controlling the entry mechanism to the market but on the many occasions we have suggested that Ofcom should deny number access to those providers who have a history of breaches we have been told this was beyond Ofcom's remit and are therefore now very surprised to find that it appears not only to be within its remit but that it is being actively promoted!

We do support the consumer protection test but only if applied against transparent and objective criteria and once the definitions of all parties in the PRS value chain (both mobile and fixed) have been clarified to the satisfaction of the industry thus ensuring that those parties who are liable for harm are penalised and not innocent parties who become liable due to an unclear regulatory regime.

Question 19: Do you support the proposal to extend the tariffing provisions of the Numbering Plan so that they apply to customers of all providers on all types of network?: We fully support Ofcom's aim to accurately and precisely describe services being offered to consumers, as well as identifying services excluded from offerings and doing so in a language which is easily comprehensible. We support Ofcom's proposal to extend tariffing provisions to customers of all providers, on all types of network, as linkage of tariff only to calls delivered over the BT network makes Ofcom's aims impossible to achieve.

Question 20: How do you think the new Numbering Plan could be effectively communicated to consumers?: Although survey feedback indicates that the front cover of the phonebook would provide consumers with a useful source of tariff information, this alone would not be sufficient and should be considered alongside alternative and additional communication media. A single publicity campaign would be insufficient to get the tariff message across and should be supplemented by

engagement with other consumer groups and trade associations who can continually reinforce the message

Question 21: What are your views on Ofcom's analysis and the different options for number charging ?: The issue of charging for number allocation has been subject to debate and consultation by the UK telecommunications Regulator over a number of years and whilst we understand the economic arguments for such a charge and the fact that there are European and Worldwide precedents we are not convinced that the arguments put forward for introducing such a mechanism are in the public interest.

The opening statement of this consultation identifies numbering as 'a critical national resource' and it could be argued that charging for this resource assumes Ofcom ownership rather than their Ofcom management of this asset.

We are not convinced by the argument that there are significant efficiency savings to be made as, by Ofcom's own admission, certain technical restrictions force operators, especially smaller ones, to have larger number blocks than they either want or need. Furthermore current requests for numbers must be accompanied by supporting documentation showing effective utilisation of existing allocations and although Ofcom quotes low utilisation rates for mobile and geographic numbers we are aware that audit arrangements exist to check utilisation and provide an opportunity to reclaim unused numbers. Leaving number management 'to the market' offers no guarantee that those who can afford to won't purchase large blocks of numbers in order to deny access to competitors in certain markets or geographic areas.

If charging is to be introduced it would need to be fair, reasonable and objectively justified and in order not to create a barrier for new entrants or discriminate against the smaller operator it would need to be 'low' which begs the question of whether all the administrative effort involved in calculating, billing and collecting charges would outweigh any benefit achieved. We are also aware that the costs of operating the UK industry Regulator far exceeds the costs incurred in other European countries so the industry would need proof that they are not being burdened with inappropriate charges incurred as a consequence inefficient administration. It would have been useful had Ofcom attempted to calculate some indicative charges, based on current activity, for the different charging methods proposed in order to give operators a better understanding of the financial burden that would face them as Oftel did in 1998 when a figure of 10p per number per year was quoted.

Ofcom also argues that it wishes to become less intrusive in the area of number allocation, a stance which is not reflected in other areas of its activities as outlined in this paper e.g. the introduction of consumer protection tests. Ofcom can either argue that it needs to be more intrusive to protect the interests of consumers and industry or it can argue that it needs to be less so to allow the market to find its own level but it can't have it both ways.

To sum up, our view is that potential for unfairness and unnecessary complexity is so considerable that the charging issue needs to be the subject of separate debate rather than resolved or accepted via this consultation.

Question 22: Which, if any, numbers might appropriately be allocated using a value-based charge ?: Whilst we believe this whole area should be subject to separate consultation we think the market will decide what it values most in the same way as car registration plates acquire cachet. If a number trade commences it is essential the consumer transparency issues are not lost in the resulting market and that industry is not forced to pay unreasonable amounts for number blocks which are perceived as containing golden numbers which have no value for them.

We have significant doubts as to whether the Regulator has sufficient knowledge or understanding of what would merit consideration as a golden number in the premium rate market.

Question 23: Do you have any other comments on Ofcom's proposals for numbering as discussed in Section 5, or any other suggestions for how Ofcom might revise the current Numbering Plan or its administration ?: We wish to reiterate that we believe many of the recommendations put forward in Section 5 do not assist in achieving Ofcom's objectives of creating a Numbering Plan which has clarity, simplicity or promotes an appropriate level of regulation.

Question 24: What do you think of Ofcom's proposed general approach to managing geographic numbers?: The Numbering Plan needs to be able to a) meet the needs of existing telecoms providers operating within a rapidly changing market, b) meet the needs of those wishing to enter the market and c) must be sufficiently flexible to cope with the emergence of new and currently unknown services. The proposed general approach to managing geographic numbers seems to achieve these objectives- for now.

Question 25: Do you have detailed evidence or suggestions on the variables likely to influence demand for geographic numbers, how those variables will change over time, and how Ofcom should develop a demand model?: We have no detailed evidence regarding the variables likely to influence geographic number demand

Question 26: Do you agree with the specific proposal for how to extend conservation measures, including the extension to areas with a number shortage predicted in the next five (rather than two) years?:

Extending conservation measures to areas which have been predicted to have a number shortage within the next five years seems to be sensible in view of the fact that, if forecasts are accurate, we should witness a decline in geographic number demand after this time due to the beneficial impact of NGN's.

Question 27: Do you consider there to be any upper limit, in terms of technical feasibility, on the number of areas in which conservation measures could be used ?: We are not in a position to give an informed response to this question

Question 28: Do you agree with Ofcom's assessment of the impact of conservation measures on stakeholders ?: We have no reason to dispute Ofcom's assessment of the impact of conservation measures on stakeholders as the Regulator appears to have already widely canvassed opinion upon this issue prior to presenting its conclusions

Question 29: Do you agree that Ofcom should pursue these additional ways to improve number utilisation and, if we do, how would stakeholders be impacted and what practical issues are involved ?:

The situation regarding the availability of geographic numbers is such that Ofcom has no option but to introduce measures which will impact in some way upon consumers and networks.

Attempts to minimise impact by reclaiming unused number blocks, increasing the number of conservation areas within which 1k blocks are allocated and introducing novel number pooling options, all appear eminently sensible but the operational and commercial impact upon Networks will require close industry liaison and agreement prior to implementation to ensure that the new measures do not fail.

Question 30: What are your views on overlay codes, and Ofcom's assessment of them, as a fallback option to increase number supply? What should be the maximum number of areas where overlay codes are introduced?: In areas where conservation measures are not sufficient to fulfill consumer demand overlay codes appear to provide an alternative which minimises impact on consumers and providers alike. We have no data which disputes Ofcom's conclusions that overlay code areas should be restricted to 1.5% to 7.5% of all geographic area codes.

Question 31: What are your views on closing the scheme, and Ofcom's assessment of it, as a fallback option to increase number supply?: Closing the scheme seems a sensible low impact method of increasing number supply. We believe that the benefits of this option would be favoured by consumers compared to the alternatives as long as the rationale behind the decision was carefully communicated.

Question 32: What are your views on wide area codes, and Ofcom's assessment of them, as a fallback option to increase number supply?: We believe the wide area code option should be adopted only as a last resort due to the costly and disruptive influences upon residential and business consumers.

Question 33: Might wide area codes be appropriate in regions with a strong identity and, if so, which specific regions are suitable for wide area codes?: We are not in a position to provide an opinion on this issue.

Question 34: Do you agree with Ofcom's assessment of the problems with current 08 and 09 in terms of information clarity and consumer perceptions?: We agree with Ofcom that the 0800 number range is well understood and trusted by consumers and are aware of the proposed measures outlined by the Regulator which are believed will restore trust in the NTS range.

We further agree that there are certain issues related to consumer perception of the 08 and 09 range and believe that the current Numbering Plan arrangements contribute to

consumer confusion rather than provide transparency however a number of alternative options proposed by the Regulator seem to do little to add clarity which is essential if consumer perception is to be improved.

It is extremely unfortunate that, if your focus group evidence is indicative of the market as a whole, consumers hold the 09 range in such low esteem and regard the operators of such services as unscrupulous. As outlined in our response to Question 4, we believe that this perception is partly due to the regulatory bodies only being seen in the media when they are condemning the action of a PRS 'scammer' and never appearing to issue positive messages about the premium rate industry or the fact that the majority of the industry is honest, decent and compliant.

Question 35: Which of these options for current 08 services do you think is best in terms of a) increasing consumer transparency and b) minimising the costs of restructuring the 08 range ?: We refer you to our response to Question 4.

In addition we would add that if Ofcoms proposals are implemented over a transitional period we will see:-

? Migration of 08 adult to 09.

? Migration of 0870 /0845 services, which do not require revenue share, to 03.

? Migration of 0870/0845 services, which wish to retain revenue share, to 0871.

? Migration of 07 personal numbers to 06.

? Potential migration of services within existing 09 sub ranges to other sub ranges, the extent of which is dependant upon which of the proposed Options is selected.

None of the above signal improved 'consumer transparency' in the short to medium term unless the Regulator has discovered some previously un-utilised communication mechanism to assist the unwitting consumer.

Costs of restructuring can be minimised by 'keeping in simple', clearly communicating the changes and only implementing changes which introduce regulatory intervention where absolutely necessary to eliminate actual or potential consumer harm.

We would support further surveys on consumer perceptions of telephone numbering but structured in a way that does not create bias against particular numbering activities.

Question 36: How might early migration to the '03' range be encouraged?: Early migration to 03 may be encouraged by communicating to current providers of 0870 and 0845 services what the benefits of moving 03 might be and by deciding how the 03 brand is going to be presented to the public.

Number ranges would need to be loaded onto the Ofcom website as soon as is practicable to allow the provider an opportunity to select numbers and absolute clarity regarding tariff structure and the inclusion of 03 calls in 'Option packages' needs to be promoted.

Question 37: Is it more important to indicate price per minute or price per call, and does this vary for different types of PRS service? What granularity of PRS

tariff information should be given to consumers by the Numbering Plan?: As stated in our response to earlier questions we believe the Numbering Plan for PRS should not be unnecessarily complex and there is really only a need to identify two sub-ranges within 09 on the basis of content, namely sexual services and adult non-sexual services which would include gambling. This structure would enable barring or other forms of access control to be implemented.

Other sub-structures within the 09 range should be based on cost, arranged in ascending order for example:-

0900 - 0909 -all PRS 0p up to 25P (with 0908 adult as in gambling and 0909 being adult sexual entertainment up to 25p)

0910 - Non content services.

0920 - 50p up to £1.00 sub structure could be in increments.

0930 - 75p to £1.00

0940 - FREE

0950 - £1.00 to £1.50

0960 - FREE

0970 - FREE

0980 - Adult gambling

0990 - Adult sexual entertainment services.

Consumers would associate higher numbers with higher cost.

We believe that both price per minute & price per call have a place in the market but they will vary dependant upon the type of service provided.

Question 38:Should there be any PRS number ranges with no tariff ceiling ?: We believe that a ceiling should be set but that it should be raised from its current level.

Question 39:What is the typical turnover of 09 numbers, and what does this mean for migration timescales to a new 09 Plan? How could Ofcom structure the 09 range or take other steps to promote voluntary migration of 09 services ?: We do not support options which increase complexity or promote extensive number migration over a transitional period as this strategy would offer few benefits over and above the existing Plan.

Whilst the turnover of some numbers is rapid and a few active 'golden numbers' are contained within large ranges which are predominantly unutilised, many operators have used the same number ranges over a period of years, establishing brand loyalty that they would not wish to surrender and if changed could still attract residual traffic over a period of 6-12 months.

Question 40:Do you agree that that part of the 07 range which is currently unused (071-075) should be reserved for mobile services, with the aim of establishing 07 as a mobile 'brand'?: Yes

Question 41:Should Ofcom reserve specific sub-ranges within the 071-075 range for new mobile multimedia services, in the interests of promoting consumer awareness and tariff transparency, and if so how ?: We have no issue with this proposal as long as it adds to tariff/content transparency

Question 42: Do you support the use of 100,000-number blocks in allocating mobile numbers to new mobile voice providers ?: We believe that the allocation of number blocks should vary depending upon carrier size and should be directly linked to usage.

Question 43: Based on the above analysis, if Ofcom were to introduce a charge ceiling on calls to 070 numbers, which of the following levels should be adopted: Ofcom needs to look at its policing and enforcement powers and how they can be more effectively employed before restricting flexibility on this number range. This is a significant issue as the Regulators failure to prevent revenue share on 070 gives little hope that it would be able to eliminate revenue share from the more widely used 0870 range, thus adding to consumer confusion rather than aiding clarification.

Question 44: Would a requirement to make tariff information clearly available to purchasers of personal numbering services at the point of sale, either in addition to, or instead of a call ceiling, be an effective means of providing tariff transparency on personal numbers?: We support anything that gives additional confidence and tariff clarity to consumers. Tariff certainty should deliver benefits in the form of reduced complaints to Networks and regulatory bodies.

Question 45: If a new sub-range is made available for personal numbering services, how long should the current ?070? sub-range remain available for existing providers, in order to minimise migration costs ?: The market for personal numbers is not a like a corporate one in which only a handful of users need to be considered but one in which thousands of small businesses operate and they would need adequate time to change promotional details in directories and other media as their livelihoods would depend upon the accuracy of this information, turn around time should therefore not be less than 12 months.

Question 46: What issues do you think would need to be resolved before Ofcom makes individual numbers available for direct allocation to end users?: Until we have confidence that the Numbering Plan structure is stable, future proofed and fit for purpose we believe that introducing individual number allocation would only serve to increase consumer harm and confusion.

Question 47: What do you consider to be the main strengths and weaknesses of the current rules-based system of UK number allocation?: Ofcom, by its own admission, currently operates a rules based system designed to maximise efficiency within the constraints imposed upon it by current routing technology.

The main strengths of this system are the ease of allocation of numbers and the control over access which helps ensure that consumer interests are protected. These arrangements are no more intrusive than the introduction of consumer protection tests proposed elsewhere in this document.

Ofcom has audit and survey tools available to help assess efficient number usage and identify where under- utilisation is apparent, existing powers could therefore be used to withdraw number blocks.

Question 48: Do you agree with these principles for number charging?: As outlined in our response to Question 21 we do not believe that Ofcom has made a strong case to support the introduction of number charging.

Ofcom has stated throughout the document that providers are subject to a number of constraints, beyond their control, which impact upon the size of number allocation. If Networks pass on data build costs, associated with the need to allocate smaller number blocks, new entrants will be penalised by being burdened with legacy costs resulting from inefficient utilisation created by the previous Numbering Plan.

Question 49: What are your views on Ofcom's assessment of the issues to be considered in setting and reviewing number charges? For example, should other issues be considered in developing charging proposals?: In order for charges to be fairly assessed one would need to judge them against the costs incurred by an 'efficient Regulator'. Does Ofcom work to maximum efficiency? Recent press comparisons seem to indicate that Ofcom is more expensive to run than its European counterparts and tends to 'gold plate' its obligations thus creating an undue financial burden when attempting to recoup the costs of operation.

We believe that the impact of such a charge upon industry merits consideration under a separate consultation and whilst the principle of agreeing to look at this issue further can be agreed upon here the detail needs further scrutiny.

Question 50: Do you agree that charging for numbers could disincentivise economically inefficient behaviour, and incentivise economically efficient utilisation?: No, we do not believe the case has been made in favour of number charging nor do we believe that, given current constraints, it would disincentivise economically inefficient behavior.

Question 51: What internal changes would communications providers have to make, and at what cost, to support charging for numbers? Would these changes be preferable to earlier and more widespread use of conservation measures and (limited) changes to increase geographic number supply?: The proposals potentially have huge financial, technical and administrative implications for providers and it is for the Networks to say whether these would be greater than the costs associated with increased conservation measures. Ofcom needs to give further consideration to other tools at its disposal for encouraging efficient utilisation and work with operators to reclaim numbering blocks which are currently unused.

Question 52: How might existing number allocation rules be reduced if charging for numbers was introduced?: We do not believe the argument to support charging has been effectively made.

Question 53: What are your views on this illustrative charging mechanism, and would you suggest any changes or alternatives to it?: We do not support this proposal.

Question 54: How would charging for number blocks affect consumers?: One can assume that charges will be passed on to the consumer by one means or another but

there is insufficient financial data available at this time to gauge the impact on the market.

Question 55: What impact do you think charging for numbers would have on sub-allocation? Should Ofcom encourage or facilitate sub-allocation and, if charging were introduced, would changes be needed to the process of suballocation to facilitate trading?: Ofcom has presented an effective argument in favour of sub-allocation and the impact it has upon utilisation and allocative efficiency. The concern is that sub, or sub-sub allocation will make consumer protection issues and regulatory enforcement measures more difficult to apply and this needs to be considered especially in the premium rate market by the possible registration of sub-allocatees to ensure the potential for abuse is minimised.

Question 56: Which types of consumer abuse do you think Ofcom should particularly attempt to address through its numbering policy decisions?: Ofcom needs to learn from the failings of the existing Numbering Plan and ensure that a mechanism for effectively communicating the structure to consumers is implemented; special emphasis should be placed upon keeping the revised Plan as simple as possible within the boundaries created by the Regulators statutory obligations.

We have responded to the issue of consumer ?abuse? in earlier questions.

Question 57: Which number ranges and types of originating communications provider do you think should be covered by an extension of the Numbering Plan's tariffing provisions? What practical issues are involved, and how would this vary according to the number ranges and service providers involved?: Whilst we support the principle of improving tariff transparency Ofcom must not lose sight of the fact that consumer confusion will be minimised only if the Plan is simple to communicate.

Where it is necessary, to avoid the potential for consumer harm, services should be accurately and precisely described with guidance as to which services are excluded from the offering and this should be done in a way that is easily comprehensible.

Ofcom is aware that its role is not to regulate the prices charged by communications providers and must bear this in mind before introducing undue pricing complexity beyond what is necessary to meet its consumer aims.

The option of allowing operators to offer prices other than those assigned to a particular price band, as long as they advise callers of the variance in a free message, appears to move away from the concept of having a simple, easy to communicate Numbering Plan. This option will also create issues for originating operators who need to provide the message and could have the potential to backfire if consumers believe ?the free message? is a ploy to hold them on line whilst incurring ?premium? charges furthermore it will be incredibly difficult to police and could potentially be exploited by the less scrupulous operator.

Question 58: What do you think of the potential conditions proposed by Ofcom for inclusion in a consumer protection test for number allocation, including the proposals that numbers should not be provided to anyone with a particular track

record of persistent and/or serious consumer abuse ?: In principle we support the introduction of consumer protection tests which, if properly administered, will provide an effective control over the entry mechanism to the telecoms market, something we have supported for a number of years.

However the 'devil will be in the detail' and in order for the persistent/serious abuse criteria to be objectively justified the premium rate industry needs to be comfortable that the existing sanctions procedures are applied fairly, consistently and the appropriate level within the value chain.

We are aware that this issue needs serious and thorough discussion and therefore believe that the opportunity to consider further should be presented in a further consultation.

We have reservations as to whether there has been sufficient proof of 'abuse or detriment' in the 07 or 08 markets, or whether such potential for abuse exists in the 03 and 06 markets, to merit regulatory intervention in the form of consumer protection tests.

We would support the 'contact detail requirements' as set out in Condition 1 but feel that Condition 2, whereby numbers 'should not be provided to anyone who has a particular track record of persistent and/or serious abuse' and Condition 3 where numbers are not allocated to anyone 'who has a particular track record of using numbers in as way that is not consistent with the requirements of the Numbering Plan' need to be subject to further debate.

Question 59:Are there any other circumstances in which it may be appropriate for Ofcom to refuse number allocations ?: We are not aware of circumstances, other than those outlined in the consultation document, under which Ofcom would wish to refuse number allocations.

Question 60:Would you support the use of a consumer protection test as a basis for withdrawing number allocations? What kind of considerations should Ofcom apply in any such test, and what would be the practical issues involved in applying such a test ?: In principle we support the use of the consumer protection test for withdrawal of numbers but as with the allocation of numbers any decision on this issue must be subject to further industry consultation.

Question 61:What consumer abuses do you think might occur in the future, and what steps might Ofcom take now in its numbering policy in order to reduce the potential for such abuses?: We are not aware of any other abuses which may appear in the future but the advent of new technologies and different delivery mechanisms may open unforeseen opportunities for the less scrupulous provider.

Additional Comments: Ofcom has presented a substantial amount of evidence in this document to support an overhaul of the existing Numbering Plan in order to meet the short to medium term demand for numbers. The Regulator has also taken the opportunity to suggest measures which would reduce potential for consumer harm and dissatisfaction by reorganising some of the 'less trusted' ranges and suggesting checks which could result in less numbering abuse.

Whilst we welcome the Regulators aims we feel that some of the proposal will result in widespread disruption, added complexity and create numbering messages which will be difficult to effectively communicate. Our specific concerns have been outlined within our responses to the questions but we would welcome further consultation on issues related to consumer protection tests and number charging in particular.

We would welcome the opportunity to discuss with the Regulator any aspect of our response which requires greater clarification.