



**What Ofcom needs to do to ensure “fairness” for consumers**

As the ‘**fair**’ **telecoms campaign**, the principles of fairness have always provided the basis for all of our campaigning work.

Ofcom now seeks discussion on what is meant by “fairness” – see its [Discussion paper: Making communications markets work well for customers – a framework for assessing fairness](#).

We highlight a number of points which must form part of this discussion:

**ft Prohibit prices that mix fixed-term handset repayments with charges for on—going services**

Notification of the pending conclusion of a fixed term is not a sufficient measure. Any single price that combines two dissimilar items in this way must be seen as invalid.

This bad practice has implications in two ways. Firstly, inflation increases to the amount paid for the handset are permitted and applied – a clear rip-off. Secondly, minimum terms are unnecessarily applied to contracts for on-going services, preventing necessary adjustment.

The fact that consumers end up repaying the cost of their handset after this has been fully cleared is nothing by a wholly unacceptable scandal.

**ft Identify “penalty call charges” for what they are**

The overwhelming majority of calls to 01, 02, 03 and 07 (standard mobile) numbers are made with no call charge. Inclusive calling plans and bundles cover all such calls (in most cases<sup>1</sup>) and are both the most cost-effective and most widely used method of paying for them.

The ‘penalty charges’ incurred when calling outside the terms of the plan or bundle must be recognised as an exceptional, not the normal, charge.

The applies to publicity by the phone companies as well as guides to call charges published by Ofcom, HM Government and other bodies.

*The preceding points are covered at length in our earlier release – [Ofcom misses important points as it seeks to achieve “fairness for customers”](#).*

\*\*\*\*\*

**ft Cease the ‘loyalty penalty’ – an implicit consequence of deals for switchers**

With so much focus on encouraging providers to gain (and lose) customers through ‘switching’ the market is inevitably distorted to the disadvantage of those who are not professional buyers.

Measures must be taken to redress the balance in favour of those who may be classed as “consumers”, but do not see this as a duty to which they have to commit time and effort in respect of continuing services.

Whilst it may not be possible to wholly prohibit incentives to switching, the practice of differential pricing for on-going services must be examined and potentially prohibited.



### What Ofcom needs to do to ensure “fairness” for consumers

#### **ft** Cease the rip-offs caused by use of 084 and 087 numbers

These number ranges work in the same way as those used for the provision of Premium Rate Services (09 and 118). Callers pay an Access Charge to their own telephone company as well as a Service Charge to be benefit of the organisation being called.

We believe that it is unfair and improper for this mechanism to be used when there is no genuine Premium Rate Service being provided. Regulation and policy decisions have recently led to very many uses of these numbers being abandoned.

Now is the time for the remainder to be compelled to switch to standard (geographic rate, 01/02/03) or recognisable Premium Rate (09) numbers.

#### **ft** Cease charges for Openreach visits that result in “no fault found”

It is a standard condition of service that when Openreach investigates a reported fault but cannot identify the cause, then the telephone service provider will be charged for the time spent investigating. It is sadly common practice – indeed it is written into terms and conditions – that the telephone service provider will then pass on this charge to the customer.

It is fair that the customer may have to suffer a charge if they have somehow failed to comply with reasonable agreed conditions. It is however utterly unacceptable that any charge should be incurred simply because a genuine experience has been reported and a remedy sought.

In the real world there will frequently be cases where the cause of a fault cannot be identified. An initial investigation will inevitably result in a cost. Wherever that cost may fall, it cannot be right for it to fall on the customer.

*This latter item is covering in detail in our open message – [Consumers paying for repair \(or non-repair\) of telecoms network faults](#).*

#### **ft** Demand deployment of state-of-the-art ‘nuisance call’ protection

The forthcoming “e-privacy” regulations will require providers to **“deploy state of the art measures to limit the reception of unwanted, malicious or nuisance calls by end-users”**.

Whatever relationship the UK has with the EU, there is no question that this is a reasonable demand. Also without question is the fact that the “state of the art” is represented by what is known as **“the trueCall approach”**.

This is deployed on **trueCall** devices (with government-funded provision to those in particular need), on all mid- and upper- range BT handsets and on the **TalkTalk** and **Sky Talk** networks. The latter three are branded as **Call Guardian**, **CallSafe** and **SkyTalk Shield**, respectively.

It is now proved that this approach can be deployed on telephone networks. There is therefore no reason why it should not be offered by all networks (landline and mobile) as an option.

Put simply, this approach challenges all unrecognised callers to identify themselves, by voice, before being connected. The call can then be accepted or rejected, with the option of adding the caller’s number to the list of recognised callers. Experience shows that the overwhelming majority of nuisance / scam callers fail to identify themselves, so the phone does not ring.

