

**Ofcom misses important points as it seeks to achieve
“fairness for customers”**

Ofcom has today announced a major initiative as part of its “**fairness for customers**” campaign.

🔗 Media release - [Broadband, phone and pay TV firms must tell customers about their best deals](#)

🔗 Full Statement - [Helping consumers get better deals](#)

We outlined the **fair telecoms campaign** points in our response to the preceding consultation - [Response to consultation on \(end-of / out-of\) Contract Notifications](#).

Whilst any action that reduces the potential for consumers to be ripped-off must be celebrated, requiring providers to announce an impending rip-off can only be a small part of the solution.

There are two important points that have been missed -

Paying for a mobile handset after it has been fully paid for

This is the major issue that has drawn attention to the need for a notification prior to the end of a minimum contract period. It has been found that many customers do not upgrade their handset or vary the term of the contract at the end of the (normally) 24-month period.

The simple fact is that nobody should be placed in that position anyway. Whilst we cannot object to a deal being offered when a handset is purchased alongside provision of a continuing mobile service – these cannot be properly bundled into a single item that rolls on.

The “lease-purchase” of a handset and a service contract are two quite separate items (in today’s mature mobile telephony market). Some providers do reflect this difference, but ...

all providers must be required to “unbundle” these two separate items.

What is the “best deal” for a calling plan

Many consumers are unaware of the very high “penalty charges” which are incurred when making calls to ordinary numbers outside the terms of inclusive packages.

Apart from a few exceptional tariffs, for both landlines and mobile phones ordinary calls that attract a charge are extremely expensive. This means that, wisely, the overwhelming majority of calls actually made to ordinary numbers are covered by the terms of a plan.

It is vital that every phone user chooses the plan that best matches (i.e. fully includes) the ordinary calls, to geographic rate (01/02/03) and standard mobile (07) numbers they will make.

Any presentation of what is the “**best deal**” must take the pattern of calling into account.

Sadly, this consideration is omitted from the Ofcom action that will be taken, in demanding only the presentation of “**best tariff**” information.

We note that much of the information provided at present fails to indicate the importance of choosing a suitably inclusive deal. With the emphasis strongly placed on competition with rival providers, one can see a drive towards the “cheapest”, rather than the “best” deal.

We have long sought for these “Penalty Charges” to be identified for what they are, and the possible need to switch to a more inclusive tariff being reported on bills.

