fair telecoms campaign **news release**

The "Call Back Scam" Investigations Concluded

Ofcom has confirmed that the investigations into the issue recently placed in the public domain with this newspaper article, following this radio broadcast have been concluded. A copy of its quotable statement, and the supportive detail, is appended to this release.

It has been found that there was nothing unusual, per se, about the calls that were billed, as in every case that has been examined, a record of the call being made was found on the phone. There was no evidence of any malware that could have generated the calls automatically.

Whilst the possibility of fraudulent automatic dialling has been dismissed – **this is still a scam**. The **fair telecoms campaign** is well aware of the various aspects of this type of scam and has investigated these particular cases. The following points inform coverage of the issue.

ft We have done a little investigation into the numbers associated with this scam. They have a number of characteristics in common, including being sourced from particular telephone service providers registered with Ofcom. One such is the provider behind the number quoted in the radio and newspaper items. Before calls to that number were blocked by all of the major telephone companies, we called it and heard a recorded message which gave a website address as part of a contact email address for enquiries. This is an Argentina-based company (with a website written in clear UK English) offering international telecoms services.

We will be happy to provide a recording of the telephone call and all of the detail from our further researches.

ft A call to a 084 number includes a "Service Charge" – to the benefit of the person called – of up to 7p per minute, including VAT. Vodafone and the other major mobile providers impose an "Access Charge" – to their benefit alone – of 45p (44p for EE) per minute, including VAT, on all calls to all numbers beginning 084/087/09/118. A 12½ hour call to one of the numbers associated with this scam (with a Service Charge of 5p per minute) costs £375 from Vodafone. The revenue is broken down as follows:

The "Scammer"	£31.25
HM Treasury (VAT)	£62.50
Vodafone	£281.25

Whilst there can be no question about who perpetrates the scam (albeit for relatively modest reward), a victim may rightly ponder over where their improperly obtained money is going!

N.B. The same type of cost relationship obviously applies to "proper" use of 084 / 087 numbers – see our release "The 'insanity' of using 084 or 087 numbers - even when it is permitted".

ft There has long been a scam running, known as "**wangiri**". This was first named in Japan (using local words for 'one' and 'cut'). A machine dials many numbers, perhaps all those in a valid allocated range, and hangs up after only one ring. The curiosity of those called may encourage some to call back to find out what they have missed. The return call will direct them to a sales pitch, or simply something to keep them on the line whilst paying for a premium rate call.

Ofcom treats this practice as a "**persistent misuse of a telephone network or service**" and has powers to name and shame the perpetrator, impose an enforceable requirement to cease the practice and levy a financial penalty of up to £2 Million.

We believe that Ofcom should immediately launch a formal investigation to cover all reported cases, and use its powers to promptly take effective action.

David Hickson

Friday, 13 May 2016

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The following comments address the general issue of nuisance calls and missed calls.

ft We would always advise - **never make a phone call unless you really want to speak to the person you are calling**. If you do not know who it was who called you unsuccessfully then it is very unlikely that you will want to speak to them – especially someone who declined the opportunity to leave a voicemail message or send a text message.

Unfortunately the government disagrees with this advice, as it is currently introducing rules that require unsolicited direct marketing callers to always provide a number for a return call.

We have always argued that unless you recognise the number given for an incoming call, it is of no use in helping you to decide whether or not to answer it - the number may as well be withheld. Furthermore, there can be no guarantee that any number a caller chooses to give will correctly identify them, especially if they are already breaching the regulations regarding direct marketing, by calling without your consent.

We believe that ringing back to a nuisance caller is about as useful as a citizen asking someone they have seen committing an offence in the street for their name and address – and it may come at a cost. Expecting law breakers to voluntarily present information that will enable them to be caught is being highly optimistic, to say the least. We strongly disagree with the government and those who pressed for this silly measure to be adopted.

ft When using a touch-screen "smart phone" it is very easy to make a call without realising that you have done so. Many of us will have had calls from friends and faintly heard only noises, which we were not intended to hear, picked up by a phone in a bag or pocket. If we (as the recipient) terminate that call, the connection will be broken. If however we (as the caller) accidentally call a number with only a recorded message, then the call will remain connected until we stop it, or the phone battery is exhausted.

One must take care with the way that phones are configured and handled, to minimise the risk of incurring cost or embarrassment, due to an unintended call.

ft As stated above, a call is now terminated as soon as the called party hangs up. This worthwhile measure was recently introduced, at the prompting of Ofcom, to prevent certain scams and also to help avoid calls of excessive duration being made in error. Noting the use of "wangiri" to prompt unintended calls being made to answering services (that will never hang up) - **Ofcom now needs to work with network providers to consider measures to prevent calls of unintended excessive duration being made to answering services.**

(N.B. A call of unintended excessive duration can also occur when an attempt to end a call is unknowingly unsuccessful, for a variety of reasons.)

Notes

Please get in touch for further comments and information on any of the above.

These comments have been focussed on the use of mobile phones. Similar, and in some cases worse, points apply to the use of landline phones.

David Hickson

Friday, 13 May 2016

fair telecoms campaign **open message**

Ofcom statement on "Missed Call Scam"

From: Lizzi Regan [mailto:Lizzi.Regan@ofcom.org.uk]
Sent: 13 May 2016 10:50
To: David Hickson - fair telecoms campaign
Subject: Missed call scam - Ofcom update

David – good to talk just now. As promised:

Ofcom spokesperson: *"There is no evidence to date to suggest any mobile networks' security was breached, nor any auto-dialling malware used. We remain concerned, however, about companies making large numbers of very short calls in order to earn revenues from call-backs.*

"We have instructed major mobile and landline operators to block incoming calls from the numbers reported to us, and to make it impossible for customers to call those numbers back. We are now considering the need for further regulatory action, and will be closely monitoring any further evidence."

Further background briefing:

We recently received concerning reports of a number of mobile customers experiencing unexpected charges linked to particular ranges of 0843 and 0845 numbers.

As a result we took swift action, working with mobile operators, industry experts and partner regulators to establish the cause.

During the last week, providers' billing and network systems have been thoroughly analysed and some customer handsets have been forensically examined.

The evidence we've gathered so far suggests calls made to these numbers genuinely originated from customer phones. Call record data shows the vast majority of affected customers, having missed a call from an 0843 or 0845 number, called it back for a short duration before hanging up. This itself raises regulatory concerns, which are the subject of ongoing action, but the evidence so far doesn't suggest any network security breach occurred, nor that any auto-dialling malware was used.

There are a small number of cases where calls lasted for longer periods and higher charges were billed accordingly. In these instances, the evidence gathered to date is consistent with the explanation that customers failed to terminate their call properly, or inadvertently and unknowingly called the number back (sometimes known as 'pocket-dialling'). Further forensic examinations of affected customers handsets, to rule out any other possible causes, are ongoing.

In the meantime, Ofcom has written to major mobile and landline operators instructing them to block incoming calls from the numbers reported to us, as well as making it impossible for customers to call those numbers back. We are pleased that operators are already taking action and are also refunding affected customers.

We are now considering the need for further regulatory action and will continue to work closely with industry and our partner regulators to monitor the situation and any further evidence that comes to light.

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