



Panel priorities and Work Plan 2013/14

Introduction

This is the Communications Consumer Panel's Work Plan for 2013/14. It sets out our priorities for the coming year.

The Panel has eight members. The limit of the Panel's resources - both financial and the executive team - directly impact upon the extent of its work. However, it has striven to encompass and prioritise those issues most likely to impact significantly upon consumers, citizens and small businesses in the communications sector.

This Plan was put out for consultation during early 2013 and has been reviewed following comments made by stakeholders. The Plan explains the Panel's role, describes the different ways in which the Panel engages with issues, explains how we chose our priorities for the coming year and sets out the issues that we propose to address.

Role

The Communications Consumer Panel is an independent panel of experts set up under the Communications Act 2003. The Panel encourages Ofcom, Government, the EU, industry and others to look at issues through the eyes of consumers, citizens and small businesses and protect and promote their interests. The Panel pays particular attention to the needs of older people and people with disabilities; the needs of people in rural areas; people on low incomes; and the needs of small businesses, which face many of the same issues as individual consumers.

The Panel has eight members who between them have experience in many different fields, including: advocacy, dispute resolution, the telecoms and content industries, access services, the third sector, social policy, governance and market research. There are four members of the Panel who represent the interests of consumers in England, Northern Ireland, Scotland and Wales respectively. They liaise with the key stakeholders in the Nations to understand the perspectives of consumers in all parts of the UK and input these perspectives to the Panel's consideration of issues. These Members also attend the Ofcom Advisory Committee for each nation and seek to ensure a two-way communication of ideas.

To take advantage of the synergy between the Panel and Ofcom's Advisory Committee on Older and Disabled People (ACOD) and to avoid potential duplication, cross-membership of

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the two bodies was established in Summer 2012. The remits of the bodies remain unchanged. This means that Members, in their ACOD capacity, also provide advice to Ofcom on issues relating to older and disabled people including television, radio and other content on services regulated by Ofcom as well as on issues concerning the postal sector.

The Panel engages with stakeholders to help inform the advice that it gives to Ofcom and to keep the interests of consumers, citizens and small businesses on the agenda across the sector. The Panel also engages with a range of other organisations working on behalf of these constituencies - including those representing older and disabled people.

The Panel is often described as a 'critical friend' to Ofcom. We provide robust and independent advice that is constructive, realistic and cognisant of the trade-offs which regulatory decisions often involve. This is made possible by the fact that Ofcom shares information and ideas with the Panel early in the regulatory process before consulting formally with other stakeholders. We publish information about our advice and activities on our own website <http://www.communicationsconsumerpanel.org.uk>

The Panel's objective

The Panel's objective is to:

“protect and promote the interests of consumers, citizens and small businesses in the communications sector by giving advice to Ofcom, the EU, Government, industry and others.”

Context

Given its role to influence Ofcom, it is vital that the Panel takes into account the work to be undertaken by Ofcom in the coming year, in addition to wider developments in the area of communications. The Panel's Work Plan is therefore informed by Ofcom's priorities and workstreams, as outlined in its draft Annual Plan¹, in addition to other significant developments which will affect consumers, citizens and small businesses in the UK. The Panel will also remain alert to other issues that may arise during the course of the year. For many of the areas that we have identified, there are specific dimensions arising from the devolved nations. Our work with the Advisory Committees and other stakeholders in the nations will inform our approach to these matters. Additionally, we will undertake close co-operation and explore joint working with other consumer-focussed organisations on a range of specific issues, for example Citizens Advice, the Regulated Industries Unit as it develops, Which? and the Consumer Forum for Communications.

Wider developments

In addition to Ofcom's Plan for the year, there are a number of other developments underway or anticipated during 2013/14, which are relevant to consumers, citizens and small businesses in the UK. These include:

- The changing consumer landscape;
- a planned White Paper on the next Communications Bill; and

¹<http://media.ofcom.org.uk/2012/12/19/ofcom%E2%80%99s-draft-work-programme-for-201314/>

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- anticipated European Commission initiatives e.g. the recommendation on net neutrality, ongoing negotiation to update EU data protection legislation and Commission proposals for a draft Directive on Alternative Dispute Resolution

Going forward, Citizens Advice and Citizens Advice Scotland will take on responsibilities and resources from the Office for Fair Trading (OFT) and Consumer Focus. The Citizens Advice service will take on responsibility from Consumer Focus for representing consumers' interests in unregulated sectors. This will leave a new, technical Regulated Industries Unit working with the energy and postal services sectors and their regulators, replacing Consumer Focus.

The transition from Consumer Focus to the Citizens Advice service - and, in Northern Ireland, the General Consumer Council for Northern Ireland (GCCNI) - will be in two phases:

- In April 2013, the Citizens Advice service will take responsibility for, and be funded to deliver, general consumer advocacy and education. At the same time, Consumer Focus will be restructured to become the Regulated Industries Unit (RIU), initially with responsibility for postal services and energy in England, Scotland and Wales, for post in Northern Ireland and for water in Scotland.
- In 2014, the RIU will transfer to the Citizens Advice service and, in Northern Ireland, responsibility for consumer issues in relation to post will transfer to GCCNI. Legislation will be required to make this happen, including a transfer of Consumer Focus's statutory powers and duties.

Priorities for 2013/14

The Panel developed its Work Plan by applying two questions to each issue that it might address:

- What is the scale of the issue for consumers, citizens and small businesses?
- Can the Panel make a difference?

Types of engagement

Given the limited resources available to the Panel, we have a small number of areas of key engagement and wider zones of research and review. In practice this will mean focusing our ongoing effort on the areas of key engagement and using research to inform our work. In relation to other issues, we will review them as appropriate and provide advice as necessary.

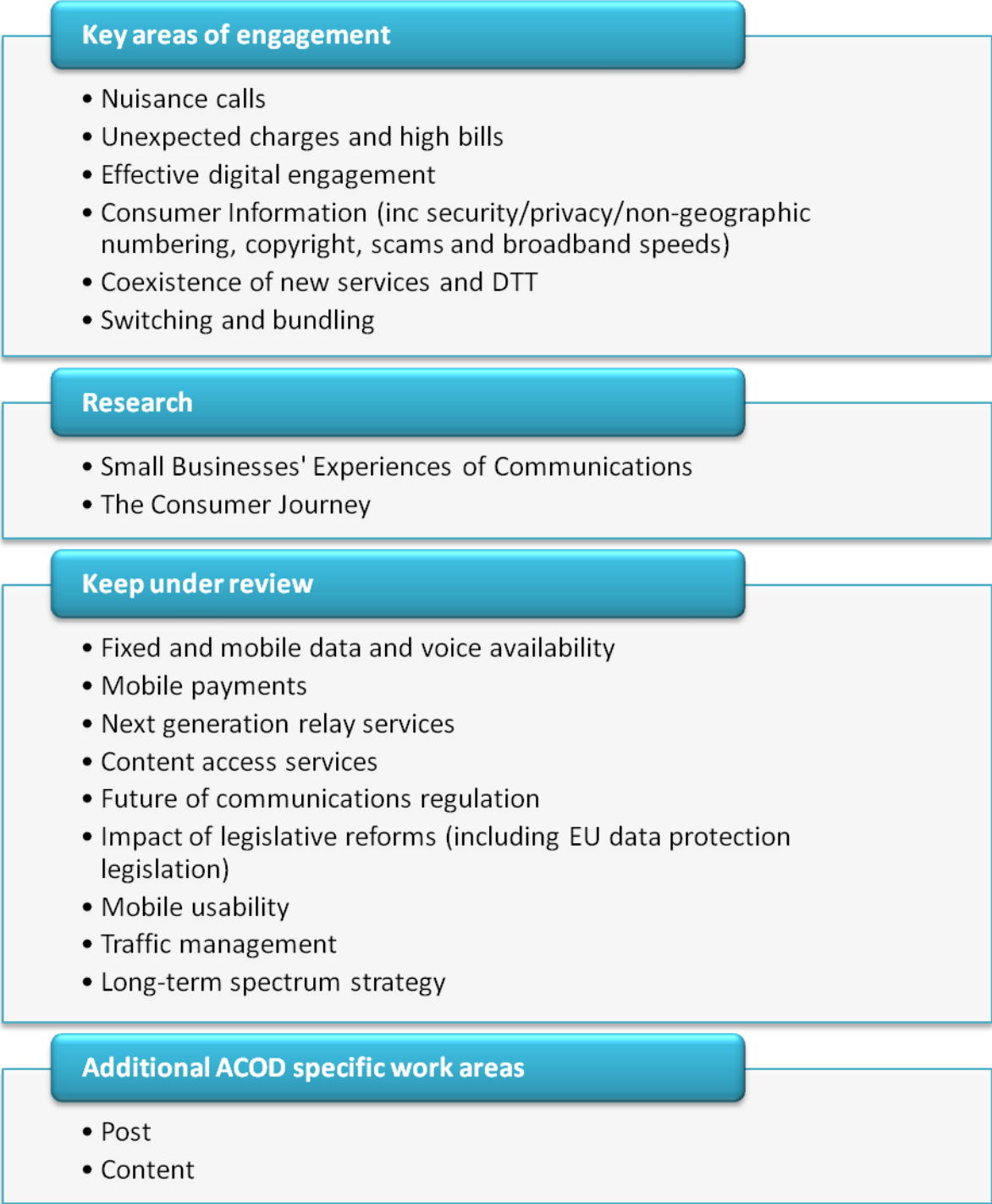
We will keep our key areas of engagement under close scrutiny during the year as other issues may emerge which require the Panel's attention. The fast changing communications environment means that the Panel must build flexibility into its plans in order to be responsive to new challenges. We may receive requests for advice in relation to issues that are not in our Work Plan, and the Panel itself is likely to identify new issues which are of importance to consumers and which warrant its attention. Even in relation to issues that

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we have included in our Work Plan, it is often not clear at the start of the year how much work will be involved in addressing an issue or for how long our engagement will last.

We will liaise with the Regulated Industries Unit/Citizens Advice on postal issues where there is a shared consumer interest. We will continue to monitor issues in the communications field and liaise with a wide range of organisations representing the interests of consumers to gather intelligence about developments. Our work areas are set out below.

Figure 1: Work areas 2013/14



Key Areas of Engagement:

Nuisance calls and texts

Silent calls and unsolicited marketing calls and texts from businesses can cause consumers irritation and distress. Since the beginning of 2012, complaints made to the TPS have been steadily increasing - which may partly be attributed to the increased marketing activity of companies such as payment protection insurance (PPI) and accident claims companies. The Information Commissioner's Office (ICO) is responsible for taking enforcement action where a company makes marketing calls to a person who is registered with the TPS and has not given prior consent to receive such calls to that company.

Specific Objective

To help reduce the incidence of silent calls and unrequested marketing calls and texts, the Panel will continue to work with Ofcom, TPS, the ICO and the Direct Marketing Association (DMA) to encourage them to strengthen their co-operative efforts so that consumers are well informed and better protected.

Bill shock - unexpected charges and high bills

As people become increasingly reliant on their mobiles, unexpected charges and high bills - otherwise known as bill shock - are becoming serious problems for consumers. As well as the immediate financial impact of unexpected costs and the associated inconvenience, there is also a risk that people become overly cautious of using their phones for data in case they incur extra charges, so aren't benefitting fully from the opportunities that may genuinely be available. Consumers can also risk financial hardship if their mobiles are lost or stolen - high bills can be generated in the short space of time between a theft and reporting the loss, for which the consumer remains liable.

Specific Objective

To help achieve a consumer-friendly response to dealing with the growing problem of bill shock, the Panel would like to see industry and other stakeholders develop further information and aids to give consumers better control over their spending and alert them when they are likely to incur additional costs. We will continue to work with Ofcom and industry to stimulate progress in this area. We would like to see providers introduce systems that monitor typical usage profiles or some other effective mechanism in order to intervene earlier if a phone is lost or stolen to help to protect people from charges for unauthorised use.

Effective digital engagement

Unless fundamental action is taken, the Panel considers that the digital divide risks becoming a digital gulf as the distance increases between those who are online and those who remain firmly anchored in the offline world. Digital engagement has become increasingly important as public services move towards being digital by default, and commercial services are increasingly delivered offline in a way that penalises people through higher cost or lower quality.

Building on the *Consumer Framework*² that we published in 2010 and informed by our *Bridging the Gap: Sustaining Online Engagement*³ research, the Panel has identified a number of areas for strategic focus and made a series of recommendations for government, policy makers and those delivering on the ground. During 2012/13, the Panel has been working collaboratively with a range of organisations to allow us to leverage a wealth of experience and innovation. We've been working closely with key organisations in this field - Go ON UK, the Government Digital Service, UK Online, Digital Unite, the Age Action Alliance and the ILC to name but a few. We've also supported the SUS-IT project at Loughborough University to develop its initiative in supporting older people to stay online.

Specific Objective

To continue to place the consumer perspective, including that of people in the most deprived communities, at the heart of the digital engagement debate by working with Go ON UK and other stakeholders to ensure the full range of consumers' digital engagement needs are being met, supported by truly universal fast broadband for all; and by encouraging government and others to ensure that there are offline alternatives to online public service delivery for those who are unlikely to complete these processes online.

² <http://www.communicationsconsumerpanel.org.uk/smartweb/digital-participation/the-consumer-framework-for-digital-participation>

³ <http://www.communicationsconsumerpanel.org.uk/smartweb/research/bridging-the-gap:-sustaining-online-engagement>

Consumer Information (inc security/privacy/non-geographic numbering, copyright, contractual terms, scams and broadband speeds)

As the Panel noted last year, the proliferation of communications services, options and tariffs has brought an increasing level of choice for the consumer. But comparing the different options available in this complex market is not straightforward. The Panel's work on behavioural economics and vulnerable consumers found that some evidence suggests that too much information, or information that is too complex, can lead to poorer consumer decisions and therefore have a detrimental effect on consumer welfare. In addition to providers giving consumers clear and reliable information generally, the Panel remains interested in the potential provision of key contractual facts, presented in plain English, similar to those used in the financial services market.

Specific Objective

To influence and encourage Ofcom to utilise and share widely the results of its review into online consumer information in order to support and empower consumers; and to work with other bodies to raise awareness of any cross-cutting themes which emerge from the findings.

Coexistence of new services in the 800 MHz band with digital terrestrial TV

As we identified last year, the next generation of mobile services will bring with them many benefits, and it is important that we maximise these new resources for consumers. However, it is vital that any potential problems for existing Digital Terrestrial Television (DTT) viewers are identified and that consumers and citizens are protected. The rollout of new services in the 800 MHz band means that there could be an interference risk for up to 2.3 million households. This could mean lost reception of one or more DTT television channels, either for some or all of the time or, at worst, lost reception of all DTT TV channels.

The underlying principle of intervention should, the Panel suggests, be that viewers who currently receive a DTT service will continue to do so or be enabled to access an equivalent service following the rollout of new 4G services without suffering significant financial detriment, the loss of their TV channels for an unacceptable period of time, and/or undue inconvenience.

Specific Objective

To help ensure minimum disruption and maximum protection for affected consumers (particularly the most vulnerable) by engaging with the work being undertaken by Ofcom and by Digital Mobile Spectrum Ltd and the Oversight Board in this area, emphasising consumers' needs and the provision of appropriate support and information.

Switching and bundling

The Consumer Experience Report 2012 found that difficulty with switching in the fixed-line market increases when fixed broadband services are switched at the same time. The latter continues to report the highest levels of stated difficulty in switching at 15%. Stated difficulty in the fixed-line market rises from 5% among standalone fixed-line customers to 14% where fixed-line services are switched at the same time as at least one other service - most commonly fixed broadband. When people can switch between providers quickly and easily, consumers will benefit from enhanced competition in communications markets as well as better service levels. Consumers need to be aware of the potential benefits of switching and to have confidence that switching will be a hassle-free process with effective “safety nets” to mitigate against loss of services. Robust switching processes are the bedrock of this, but they are not sufficient by themselves - consumers need to be assured that they will not incur excessive cost, time or disruption as a result of a decision to switch. The market now offers a range of bundled services, which means that switching between providers with a bundle is even more complex - and risks leading to reduced competition and fewer consumers than would otherwise be the case exercising choice in the market. The Panel has encouraged Ofcom to press ahead with its review of switching across services, including mobile and bundled services and to take steps to implement a harmonised and unified switching process in all communications markets as swiftly as possible.

Specific Objective

The Panel will continue to engage with Ofcom’s review and maintain pressure to deliver aligned switching processes to ensure that switching communications providers becomes easier for consumers.

Research:

Small Businesses’ Experiences of Communications

What are small businesses’ experiences of communications services? What experience do they have of mobile usage (coverage, dropped calls etc) and what is their use of broadband (especially superfast). Under the Superfast Broadband Strategy, how will small businesses in the ‘last 10%’ (i.e. on 2MB) be affected? What are the barriers/challenges they face and what are the opportunities? What can the communications sector do for small businesses to help assist growth?

Specific Objective

To establish how the communications sector affects the experience and performance of small businesses and what - if anything - should/could be done to improve that experience so that growth and the potential of small businesses, particularly outside major conurbations, is maximised.

The Consumer Journey

The Panel previously expressed concern that in some cases complaints to communications providers are not registered as complaints unless they are escalated. This could lead to a distorted view of customer service levels and possibly disguise true levels of customer service, especially if complaints are not resolved properly.

The Panel identified that this is likely to have a particular impact on vulnerable consumers who may not have the skills, confidence, time or persistence to pursue their complaints, or may not know that they can escalate a complaint.

While new Ofcom requirements came into force in 2011 to improve awareness of dispute resolution services, what is the extent of consumer tolerance - and their experience of faults -before people even contact their provider to make a complaint? Who is the least likely to complain? Who is 'suffering in silence'?

Specific Objective

To establish a more holistic view of the consumer service journey including the experience of faults and fault-reporting. This will lead to a better understanding of what prevents people from registering their complaints and what it is that tips them to complain so that we can help identify the steps necessary to further empower communications consumers.

Areas and issues to keep under review:

Fixed and mobile data and voice availability

In the Panel's view, sub-optimal delivery of communications services as a result of inadequate infrastructure - be it a lack of fast broadband or the absence of mobile voice and/or data coverage - is no longer one of simple irritation for consumers and small businesses but is now becoming an issue of real detriment. The Panel has welcomed the 4G coverage obligation of 98% indoor coverage UK wide, or 95% in each nation and the mobile infrastructure project as significant contributions to address the urgent need to drive improvements in rural broadband and mobile voice/data coverage if people are not to be left behind by the rapid development of 21st century communications and the way businesses interact with each other and their customers.

Mobile payments

Micro and mobile payments hold the promise of convenience and benefit for consumers. However consumers need to be confident that their financial and personal information is protected and secure, and that they can obtain robust redress if things go wrong.

Next generation relay services

Ofcom's requirement that a new and improved text relay service must be made available within 18 months of its statement will substantially increase choice for people by giving them access to text relay via a wider range of equipment, in addition to services such as parallel two-way speech. The Panel has welcomed the plans to work with industry and disability representatives on the impact of speech recognition technology and on the accuracy and speeds of existing and future relay services.

Content access services

Subtitling, signing and audio description enable people to access a wide range of audio-visual content. Electronic Programme Guides also have an important role. As communications technology develops, it is important that these access services continue to enable people to enjoy content over a range of platforms.

Future of communications regulation and Impact of legislative reforms (including EU data protection legislation)

It is vital that forthcoming legislation, at both national and European level, reflects the needs of consumers and small businesses in the sector and protects and promotes their interests.

Mobile usability

The Panel's call to make mobile handsets more accessible has received significant support since publication of our report Making Phones Easier to use: Views From Consumers⁴. The debate has now widened to encompass the role that can be played by apps.

Traffic management

While traffic management potentially offers some benefits to consumers there are concerns that a) consumers are unaware of and/or do not understand these practices and their impact and so are unable to exercise proper consumer choice; b) that prioritising some services or types of traffic over others could reduce long-term consumer choice and have a detrimental impact on those services that cannot afford to pay for prioritisation, including possibly some public services; and c) the technology used for traffic management could have implications for privacy and freedom of speech, as it involves analysis of internet traffic in order to decide how to manage that traffic.

Long-term spectrum strategy

The Panel has been closely engaged with work in relation to DTT coexistence at 800MHz. It has emphasised that the learning from this implementation must be carried clearly through to the planning for 700MHz, and that consumers' needs are given priority in policy development.

⁴ <http://www.communicationsconsumerpanel.org.uk/cms.php?page=334>

Figure 2: Schedule of outline Panel Work Plan 2013/14⁵

	Q1	Q2	Q3	Q4
Nuisance calls	✓	✓	✓	✓
Unexpected charges and high bills	✓	✓	✓	✓
Effective digital engagement		✓	✓	✓
Consumer information	✓	✓	✓	✓
Coexistence of new services and DTT	✓	✓	✓	✓
Switching and bundling	✓	✓	✓	✓
Small Businesses' Experiences of Communications			✓	✓
The Consumer Journey	✓	✓		
Fixed and mobile data and voice availability	⇒	⇒	⇒	⇒
Mobile payments	⇒	⇒	⇒	⇒
Next generation relay services	⇒	⇒	⇒	⇒
Content access services	⇒	⇒	⇒	⇒
Future of communications regulation	⇒	⇒	⇒	⇒
Impact of legislative reforms (including EU data protection legislation)	⇒	⇒	⇒	⇒
Mobile usability	⇒	⇒	⇒	⇒
Traffic management	⇒	⇒	⇒	⇒
Long-term spectrum strategy	⇒	⇒	⇒	⇒

ACOD-specific work areas	Q1	Q2	Q3	Q4
Post	⇒	⇒	⇒	⇒
Content	⇒	⇒	⇒	⇒

⁵ ✓ Key areas of engagement/research

⇒ Areas to keep under review