

## **Press Release**

#### For immediate release 01 March 2012

# Panel calls for co-ordinated response to growing problem of bill shock

Responding to Ofcom's review of unexpectedly high phone bills, the Communications Consumer Panel Chair, Bob Warner, called for a co-ordinated response to dealing with the growing problem of bill shock: "As people become increasingly reliant on their mobiles, bill shock is becoming a serious problem for consumers. As well as the immediate financial impact of unexpected costs, 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 are available."

The Panel also has concerns about the costs of calling some non-geographic numbers such as *freephone* services from mobiles, which are often significantly higher than using a landline. Information about call costs is often difficult to find, and research for Ofcom found that only 13% of people thought they knew the cost of calling an 080 number from a mobile. "This particularly affects people on lower incomes who are more likely to have mobiles rather than a landline, and use their mobile to call essential services," Bob Warner explained.

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.

"In line with the positive recommendations and consumer awareness guide from Ofcom, we would like to see industry develop better information and mechanisms to give consumers control over their spending and alert them when they are likely to incur additional costs. We also want providers to use the information held about typical usage profiles to intervene earlier if a phone is lost or stolen to help to protect people from charges for unauthorised use," Bob Warner concluded.

#### **Ends**

#### CONTACT

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### **NOTES TO EDITORS**

The Communications Consumer Panel encourages Ofcom, Government, industry and others to look at issues through the eyes of consumers and citizens and protects and promotes their interests. The Panel is independent and sets its own agenda.

Visit www.communicationsconsumerpanel.org.uk for more information.

With the exception of *The Helpline Association* numbers, most mobile service providers don't include *freephone* numbers in consumers' allowances and charge extra for these calls.

Ofcom is currently carrying out a review of 08, 09 and 118 numbers which considers ways to improve consumer awareness of the cost of calling these numbers, including options to simplify the numbering ranges, introduce standardised charges and an option to make *freephone* calls free from mobiles as well as landlines. Ofcom intends to publish a further consultation in due course.

Ofcom's consumer guide can be found at <a href="http://consumers.ofcom.org.uk/2012/03/billing-problems/">http://consumers.ofcom.org.uk/2012/03/billing-problems/</a>