

#### fair telecoms campaign

#### consultation response



Ofcom - Directory Enquiries (118) Review, PSA - New Special conditions for Directory Enquiry Services

#### Introduction

This response addresses both the Ofcom consultation - <u>Directory Enquiries (118) Review</u>, and the PSA consultation - New Special conditions for Directory Enquiry Services.

These are run in parallel as they address the same issues, in which both organisations have a role.

The **fair telecoms campaign** is delighted that Ofcom and the PSA have responded so positively to its comments and recommendations, which were re- issued in anticipation of the launch of these consultations -

ft Telephone Directory Enquiry Services (118xxx) - Comments and Recommendations [2018]

We are not dissatisfied that a slightly different approach to that suggested has been taken.

We are however keen that the prospect of a "two-tier" DQ system, with very strict restrictions on high-cost high-value services, be considered in the event that demand for such services and a readiness to supply (albeit heavily restricted) are both found to exist.

# **Responses to Ofcom Consultation Questions**

Question	Your response
Question 1: Do you agree with our assessment of harm?	Essentially
Question 2: Do you agree with our view that the proposed cap on the service charge for a call to a 118 number of £2.58 (ex VAT) per 90 seconds of the call is an effective and proportionate to remedy the harms identified?	The proper level can only ultimately be determined by a clear view of the market, as it develops, or as indicated by industry.  We are open-minded about the possibility of a highend market for "advanced" services, subject to much tighter regulatory controls, with the price cap applied only to services that provide only a basic DQ service
Question 3: Do you agree with our view that an overall implementation period of four months following Statement will be a sufficient time for providers to introduce the proposed cap?	It should be as short as possible. The speed at which price changes have been applied in the past would suggest that implementation within a shorter limit could be achieved.  If providers subsequently find that they have to drop out of the market because they cannot operate within the cap, then so be it.
Question 4: Do you have any comments on the notifications at Annex 10 and the draft modification set out within them? Where you disagree with the proposed modification, please explain why.	No





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## **Responses to PSA Consultation Questions**

Q1 Do you agree IVR-based promotions of DQ services on geographic numbers should only be done on numbers that are active and used for other purposes? Do you agree that the proposed requirement will not impact on the promotion of legitimate DQ services? If not, are you able to provide evidence to demonstrate an impact on legitimate DQ services?

We have some concerns that the specification "active" may not be sufficient to fully address improper promotions of particular DQ, or indeed any other premium rate, service.

This is an issue that should be kept clearly under review with a readiness to apply a proper interpretation of whatever term is used in the final regulatory statement, to ensure propriety.

Q2 Do you agree that mandated provision of pricing information upon onward connection will not impact ongoing provision of either DQ services or the consumer experience when using them? If not, please provide supporting information

The intention is surely that the changes will have an impact. Where an enquiry is made on a device able to accept text messages, the justification for onward connection at the same rate which applies to the process of making an enquiry is very weak.

We see this service as one which applies only to very few DQ users, who may be in a position (e.g. driving) which prevents them from noting a number and making another call. (There is indeed an argument that drivers should be discouraged from making calls at all, as opposed to automatically answering incoming calls.

If onward connection is seen as being a valuable feature as part of a DQ service, there is an argument that it should be restricted to services using a particular group of Service Charge Codes. I refer to those codes associated with a high initial (or first minute) charge, but a much lower rate for successive minutes. This would allow the cost of providing the enquiry service to be recovered, without applying an inappropriate rate to the cost of the ongoing connected call.

It is however imperative that full awareness of the ongoing charge (including the ongoing imposition of the Access Charge) is achieved before an on-going connection is made. This must require call recording, so that any dispute by the caller can be resolved.

A related issue is the requirement for all providers of Premium Rate Services to terminate calls as soon as conversation has ended. There have been many cases where consumers have remained connected to Premium Rate services after conversation has ended, possibly due to some failure with their handset to terminate their call.

Both parties to a telephone conversation have a duty to terminate the call once conversation has ended. This is especially true where the called party is earning money from a "dead" open connection.





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## **Further points**

We address here the numbered points in the **Summary of Recommendations in our briefing**.

- Point R1 is addressed in the PSA consultation (see answer to Q1 above).
- Point R7 is addressed in the PSA consultation (see answer to Q2 above)
- Points R5, R6 and R8 are addressed by the imposition of a cap (see answer to Ofcom Question 3 above). As stated there, we hold an open mind about the possibility of permitting "advanced" services to operate, albeit under tight restrictions. The upper limit presently in place (see R8) is however far too high.
- Point R4 is being addressed by the further consultation <u>Review of the Premium Rate Services</u>
   <u>Condition</u>. Once again we are delighted that Ofcom has responded so positively to our
   recommendations.
- Point R2 is a related, but quite separate, issue not addressed by this consultation. We refer to the way in which Ofcom acts, rather than a need for regulatory changes.
- Point R3 is an issue which is now of lesser relevance in the light of these proposals. We do however believe that the PSA needs to look closely at this with reference to Premium Rate Services in general.

## **Summary**

We are delighted, once again, to welcome the positive way in which both Ofcom and the PSA have responded to our recommendations.

We continue to support both organisations in their work, noting the fact that action can never be as immediate as many would wish.

