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| Consultation: | 0871 Services |
| FAO: | Mr Nathan Marshall |
| Name of respondent: | Bruce Warman |
| Representing (self or organisation/s): | Self |

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| Q1: Do you agree with our proposal to create a Statement of Application for the 0871 number range? If not, please provide your reasons and alternative suggestions. |
| Yes, but only where it does not conflict with any of my other comments |
| Q2: Do you agree that the current application of Section 1 of the Code is appropriate to apply to the 0871 number range? If not, please give your reasons. |
| Yes, but only where it does not conflict with any of my other comments |
| Q3: Do you agree that this is a fair and proportionate application of the network operators' due diligence requirements to the 0871 number range? If not, please give your reasons. ICSTIS would welcome further information regarding quantification of costs. |
| Yes |
| Q4: Do you have any further information and evidence regarding usual payment times? Additionally it would be helpful to have responses that indicate to what extent Service providers rely on immediate payments from network operators to cover their operational costs. |
| N/a |
| Q5: Do you agree that this is a fair and proportionate application of a delayed payment mechanism to the 0871 number range? If not, please provide your reasons. |
| Yes |
| Q6: Do you agree that the current application of Section 3 of the Code is appropriate to apply to the 0871 number range? If not, please provide your reasons. |
| Yes except that it is mentioned that within section 3 of the code that service providers also hold non-premium rate UK customer service numbers but that you currently think 087x numbers are ok. This is a contradiction. 0871 will be premium rate numbers – that is why they will be regulated by ICSTIS. Therefore, it defeats the point of the service provider not holding a non-premium rate number but yet allow them to hold an 0871 contact number. Service providers should be required to hold a geographical or 0870 number and <u>not</u> 0871 numbers. |
| Q7: Do you agree that the current application of Section 4 of the Code is appropriate to apply to the 0871 number range? If not, please provide your reasons. |
| Yes, but only where it does not conflict with any of my comments |
| Q8: Do you agree that it is fair and proportionate to apply ICSTIS' current application of the prior permission regime under Section 5.1 of the Code to the 0871 number range? If not, please provide your reasons. |
| Yes |

Q9: Do you agree that Option D is a fair and proportionate application of the undue delay requirements in paragraph 5.4.2 of the Code to the 0871 number range? If not, please provide your reasons and alternative preferred option. Additionally, please provide details of any other options you feel may be appropriate for ICSTIS to consider.

No. You state that you have received significant complaints concerning 0871 numbers as has Ofcom and at this time Ofcom is currently investigating scams on 0870 numbers. Once 0870 loses its revenue share, most companies/organisations are expected to migrate to 0871 and this means scammers will also do this. What you propose i.e. basically nothing about call queuing is not at all in the consumer interest but only in the interest of companies/organisations using these numbers.

It has been stated by ICSTIS that many companies/organisations will use 0871 not for the revenue share (this can be as much as upto 6p/min) but for the advanced network features. If this was true then companies/organisations would use other lower-rate non-geographical numbers like 0845 which offer the same advanced network features with the major difference being that in most cases revenue sharing is not passed to the company but is retained by the service provider to pay for the advanced network services.

Therefore, the primary interest in using 0871 is for the revenue share rather than the advanced network features available.

The problem is that many callers currently are not aware that 0871 is premium rate which is why many companies and other organisations have already migrated to 0871 so that are ready to exploit callers when the regulations change. This is scandalous..

Many companies and organisations would not dare move to 09x (not even at 15p/min) because in all likelihood they are aware that consumers are aware that 09x is a premium rate (think of the recent debacle over 09x lines for TV 'quiz' shows). This would result in many complaints, so instead they have opted for 0871 where revenue still exists but without caller knowledge that they are in fact ringing a premium rate number, albeit with a lower revenue quantum.

In addition, according to your proposal, these unscrupulous organisations would be able to gain revenue even whilst consumers are held in a queue. It is possible to be held in a queue for over 20 minutes when calling some 0870 now. If a company gets hundreds or even thousands of these calls a day this adds up to many thousands of pounds over a year. Therefore there can be an incentive to keep callers waiting. **IF YOU DON'T BELIEVE THIS, THEN PLEASE ASK SOME MEMBERS OF YOUR OFFICE STAFF TO CALL A RANDOM SELECTION OF 0870 NUMBERS OVER A NUMBER OF LUNCHTIME PERIODS AND REPORT THE RESULTS. I CANNOT BELIEVE YOU HAVE NOT DONE THIS ALREADY.**

If you still refuse to stamp out this pernicious exploitation, then you should consider ensuring that an announcement being made at the start stating your position in the queue and how long the estimated waiting time is. This would allow callers to choose to ring back later. This could be paid for out of the revenue from the call which ICSTIS (in my view naively) believes is only used for network features and not to deliberately gain revenue from the call.

Q10: Do you agree that this is a fair and proportionate application of the pricing information requirements under Section 5.7 of the Code to the 0871 number range? If not, please provide your reasons.

No Because callers will not be aware that 0871 is a premium rate number (unlike 09x where consumer knowledge is far greater), companies and organisations should also be obliged to say when they answer the call that "calls will cost 10p/min from a BT landline, other providers may charge more". This will have nominal financial impact on the organisations using these numbers. In fact the extra 10 seconds or so it takes to say this will actually cost callers but at least they would be fully aware that they are paying at least 10p/min.

Q11: Do you agree that it is appropriate to allow a three-month implementation period, as outlined above?

Yes

Q12: Do you agree that this is a fair and proportionate application of ICSTIS' scope of regulation in respect to content of services provided on the 0871 number range? If not, please provide your reasons.

Yes

Q13: Do you agree that the current application of Section 6 of the Code is appropriate to apply to the 0871 number range? If not, please provide your reasons.

Yes, but only where it does not conflict with any of my other comments

Q14: Do you agree that the current application of Section 7 of the Code is appropriate to apply to the 0871 number range? If not, please provide your reasons.

Yes, but only where it does not conflict with any of my other comments

Q15: Do you agree that the current application of Sections 8 to 11 of the Code is appropriate to apply to the 0871 number range? If not, please provide your reasons.

Yes, but only where it does not conflict with any of my other comments

Q16: Do you agree that this is a fair and proportionate application of the funding model in Annex 1 of the Code to apply to the 0871 number range? If not, please provide your reasons.

Yes

Q17: Do you agree that this is a fair and proportionate method of collection of the funding levy to apply to the 0871 number range? If not, please provide your reasons.

Yes

Q18: Do you agree that a minimum payment amount from each network operator should be £500 per annum? If not, please provide your reasons.

Yes

Q19: Do you agree that it is not appropriate for ICSTIS to create and promote a separate brand for regulation of the 0871 number range? If not, please provide your reasons.

Yes, so long as ICSTIS does not try to hide the fact that 0871 is a premium rate number (albeit lower amount than 09x) and that Communication and Service Providers do not advertise the 0871 number range as 'national rate' which some currently do. This is misleading and exploits callers.

Q20: Is there any other way in which ICSTIS' regulatory framework should be amended or otherwise so as to regulate the 0871 number range in a way that is fair and proportionate?

To help discourage scams with missed phone calls and silent calls, ICSTIS should ensure that organisations using an 0871 number do not display via Caller Display Identity their 0871 number. Instead, companies/organisations should use freephone or lower-cost number ranges. This would also save Ofcom having to investigate missed calls/silent calls, whether deliberate or not, as this is potentially in contravention of Ofcom rules. Currently these state that organisations making phone calls should not display any number on CLI costing more than the rate of an 0845 number.

Q21: Do you agree that this is an appropriate wording for a Statement of Application based on ICSTIS' proposals? If not, please provide your reasons and alternative wording.

N/a

Dear Mr Marshall,

I attach my comments in response to your request for consultation on the ICSTIS proposals to deal with 0871 numbers.

My comments follow the structure of your request; because of that I fear they do not adequately convey the intensity of my feelings on this issue. I note these thoughts briefly below and ask that they be considered part of my response and be used accordingly.

0870, 0871 and 0845 numbers have been allowed to exist as an unfettered rip-off on the British public for far too long. Companies use them as an unregulated and uncontrolled revenue stream, with tricks such as understaffed call centres with resulting extended waiting times, extended announcements and menu choices, all hidden behind the deliberately misleading fig leaf of calling them 'national rate calls'. We all know this is totally disingenuous. In addition no mention is made to the caller of revenue share.

People are losing their patience with this con trick – a good example is the spontaneous outburst of complaint about the use of an 0870 number as an emergency helpline after the 7/7 bombings and murders in London.

I had hope that Ofcom had grasped the nettle with their proposals. Having dealt with 0870 and 0845, almost unbelievably they have passed 0871 to you and you have missed the point of the issue entirely. Your proposals as currently drafted continue to provide a tasty revenue stream for unscrupulous companies and does very little to protect the public.

Unless you get a grip on this you will face heavy criticism in the media. It is in your own best interests to deal with this issue now, with a firm approach rather than being dragged there. I for one will be part of that group forcing you to act if you do not take decisive action.

Yours sincerely,

Bruce M Warman