

Consultation response form

Please complete this form in full and return via email to 070marketreview@ofcom.org.uk or by post to:

070 market review team
Competition Group
Ofcom
Riverside House
2A Southwark Bridge Road
London SE1 9HA

Consultation title	Personal numbering: Review of the 070 number range
Full name	✂
Contact phone number	✂
Representing (delete as appropriate)	Self
Organisation name	
Email address	
We will keep your contact number and email address confidential. Are there any additional details you want to keep confidential? (delete as appropriate)	This response is anonymous but can be published in full.
For confidential responses, can Ofcom publish a reference to the contents of your response?	

Your response

Question 3.1: Do you agree with our provisional conclusion regarding market definition? Please provide reasons and evidence in support of your views.	Yes.
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<p>Question 3.2: Do you agree with our provisional conclusion regarding SMP? Please provide reasons and evidence in support of your views.</p>	<p>Yes.</p>
<p>Question 4.1: Do you consider that the cost of the proposed control is proportionate to the identified harm to consumers arising from this range? If not please give your reasons.</p>	<p>Yes. Ofcom has clearly identified the glaring disconnect between the called party choosing a personal numbering service and the caller having to pay all of the charges incurred for usage of the service. Changing to a system where the called party is responsible for the call-forwarding charges eliminates this problem.</p>
<p>Question 4.2: Do you agree with our proposal for a three-month implementation period? If not, please explain why.</p>	<p>Yes.</p>
<p>Question 4.3: Do you agree that our proposal to implement a charge control on 070 TCPs in the form of a benchmark rate is appropriate? If not, please explain why.</p>	<p>Yes.</p>
<p>Question 4.4: Do you have any further comment on our proposals for regulating 070 termination rates? Please provide reasons and evidence in support of your views.</p>	<p>I suspect that retail providers will take a long time to reduce retail charges for calls to 070 numbers. Please revisit this at the earliest opportunity and, if necessary, impose a retail tariff principle such that calls to 070 numbers are charged on the same basis as for calls to UK mobile numbers starting 071-075 and 077-079.</p>

Question A9.1: Do you agree with our approach to estimating the cost of providing a 070 service? Please provide reasons and evidence in support of your views.

Yes.

Ofcom's Review of the 070 Number Range

This is sent in response to "Personal numbering - Review of the 070 number range" published at: <https://www.ofcom.org.uk/consultations-and-statements/category-1/review-070-number-range>

Overview

In December 2010, Ofcom announced a review of Non-Geographic Call Services ("the NGCS review"). This promised a review of the various 03, 05, 070, 076, 08, 09, 116 and 118 non-geographic number ranges. Over the intervening seven years much has been done and a lot has been achieved.

Work ongoing or concluded includes:

- 03: consultation leading to statement giving further clarification that revenue sharing is not permitted on this range,
- 0500: consultation leading to eventual closure of this range effective 3 June 2017,
- 070: consultation on capping the termination rate at the same level as for calls to UK mobile numbers, changes to take effect later in 2018,
- 080, 116: calls made free-to-caller on mobile phones - effective 1 July 2015 for 080 numbers and immediately (December 2013) for 116 numbers,
- 084, 087, 09, 118: removal of the "NTS Retail Condition" governing BT retail call charges for these numbers, introduction of the "unbundled tariff" with eighty Service Charge price points and regulations requiring call costs to be stated adjacent to these numbers everywhere they are advertised or promoted, all effective 1 July 2015, and the addition of a further twenty Service Charge price points effective 1 July 2016.

Other related work has included:

- annual reduction (usually in April) of the Mobile Termination Rate cap, and the crucial step (on 1 May 2015) of extending the MTR cap to cover all UK mobile numbers within the 071-075 and 077-079 ranges,
- further work to ensure the MTR cap covers all providers using UK mobile numbers in the 071-075 and 077-079 ranges, including clarification (from 1 April 2018) that the cap applies to all UK numbers in those ranges even where used for call-forwarding and other such automated and interactive services,
- other regulatory authorities are working to reduce the MTR cap for calls to mobile numbers allocated in Jersey, Guernsey and Isle of Man - it looks likely that these will achieve parity with the equivalent UK rates by the end of 2018 or perhaps some time in 2019.

The 07 number range

Ofcom divides the 07 number range into three distinct services:

- 070 – personal numbers
- 071 to 075 – mobile numbers (came into use after prefixes 077 to 079 had been used up)
- 076 – pager numbers
- 077 to 079 – mobile numbers.

During the 1990s, termination rates for all of these services were in the range 40p to 50p per minute. Calls were paid for by callers at very high per-minute rates in comparison to calling a geographic landline number. Over time, the termination rate for calls to UK mobile numbers has reduced. This has allowed call plans with inclusive allowances to be developed, and further termination rate reductions have enabled ever increasing allowances within such call plans.

The mobile termination rate is currently in the region of 0.5p per minute, substantially below the termination rate charged for calls to personal numbers, the latter being a rate which has not reduced over time.

Number ranges with high termination rates have always been excluded from allowances. These are services such as:

- personal numbers starting 070
- ordinary mobile numbers allocated to providers based in the Channel Islands and Isle of Man
- the so-called "non-mobile" numbers (an unofficial category invented by retail providers to explain away high call charges to some number ranges that look like ordinary mobile numbers but are used by a variety of automated and interactive services including various international dial-through providers)
- pager numbers starting 076.

It is good to see that Ofcom has been gradually working through these categories and introducing reforms that benefit consumers.

Reforms affecting mobile numbers and personal numbers

The 070 range originally allowed revenue sharing and quickly became home to a large number of scams. Ofcom's ban on revenue sharing on 070 numbers enacted around a decade ago has reduced the incidence of scams by small scale operators. However, it did nothing to end the usage of 070 numbers for the biggest scam of all – usage for bedside telephone services in hospitals. Such usage for a premium rate service is inappropriate and Ofcom's proposals for the 070 range should hopefully see an end to this usage. These services will have to change their business model or move to a more appropriate premium rate number range where call charges will be transparent and are required to be declared alongside the number wherever the number is advertised or promoted.

For personal users, the current consultation document on the 070 number range clearly identifies the disconnect between the fact that it is the called party that chooses which personal numbering service to use but it is the callers who then pay all of the charges incurred in the usage of that particular service. As you say, this does not promote effective competition and callers are left having to pay premium rate charges for a service that they may not have thought to be premium rate. There is much evidence of bill shock from calling these numbers.

The proposal to reduce the termination rate to be the same as for calls to mobile numbers is welcome and should eliminate many of the problems found on the 070 number range. However, the reforms will only be truly effective if retail providers reduce their charges for these calls. There is some evidence to suggest that they will not reduce their retail prices unless they are *required* to do so.

For example, the mobile termination rate cap initially applied only on calls made to mobile numbers allocated to the (five, now four) main mobile providers. On, 1 May 2015, Ofcom extended the cap to cover calls to all mobile numbers allocated to UK providers. This should have resulted in the disappearance of the unofficial “non-mobile” numbers category, but most landline and mobile providers still have a very long list of such prefixes (in some cases, around 120 entries or so) that are both non-inclusive and charged at a higher rate than for calls to mobile numbers.

Ofcom's investigation into providers charging above the mobile termination rate cap found no providers doing so. Given that a number of landline and mobile retail providers exclude these so-called “non-mobile” calls from allowances, and charge them at a higher rate than for calls to mobile numbers, it appears that numerous landline and mobile retail providers are profiteering on these calls.

Ofcom's more recent review of mobile termination rates makes clear that the cap also applies to call-forwarding and other such services that may be using mobile numbers therefore removing any opportunity for there to be any UK mobile number ranges with high termination rates. It remains to be seen whether the list of non-inclusive prefixes in retail provider tariff lists will shrink or not. More action may be needed.

Although Ofcom is reducing the termination rate on calls to personal numbers, I suspect that most retail providers will take a very long time to reduce their retail charges for calls to 070 numbers as they have little or no incentive to do so. Please revisit this topic at the earliest opportunity and, if necessary, impose a retail tariff principle such that calls to 070 numbers are charged on the same basis as for calls to UK mobile numbers starting 071 to 075 and 077 to 079.

The proposal suggests the new termination rate cap for personal numbers is to come into effect three months after the publication of Ofcom's statement. This seems eminently reasonable. Indeed, providers of these services have already had more than two months warning that these changes are on the way giving them time to amend billing systems and contact users.

Offshore numbers

There are currently around 74 mobile number ranges allocated to providers based in the Channel Islands or Isle of Man, spread over a variety of prefixes. The list is:

074184, 074520, 074521, 074522, 074523, 074524, 074525, 074526, 074572, 074576, 074585, 075090, 075091, 075092, 075093, 075094, 075095, 075096, 075097, 076240, 076241, 076242, 076243, 076244, 076245, 076246, 076247, 076248, 076249, 077003, 077007, 077008, 077810, 077811, 077812, 077813, 077814, 077815, 077816, 077817, 077818, 077819, 077977, 077978, 077979, 078297, 078298, 078299, 078391, 078392, 078397, 078398, 079110, 079111, 079117, 079240, 079241, 079242, 079243, 079244, 079246, 079247, 079248, 079249, 079370, 079371, 079372, 079373, 079374, 079375, 079376, 079377, 079378, 079379.

Some UK landline and mobile providers detail them in their tariff lists, others do not. Irrespective, the list is far too long to commit to memory.

For the purposes of porting, charges when roaming, the home country when not roaming, and the addition of VAT, mobile phone numbers allocated in Jersey, Guernsey and Isle of Man are each administered separately from UK mainland numbers and are outside of the EEA.

Mainland UK landline and mobile providers also usually set call and charges to these “offshore” mobile numbers at a different rate to that set for calling mainland UK mobile numbers. Where charges differ or calls are non-inclusive this can lead to bill shock and consumer harm.

There is also some inconsistency. For example, Marathon Telecom, based in Jersey, has number ranges 074572, 074585 and 079110. Some of the other 07457x ranges are used in the Isle of Man. Some of the other 07911x ranges are used in Guernsey. Some UK providers charge one or two of the three Marathon number ranges as “non-mobile” numbers and the rest as UK numbers. Other UK providers charge calls to some or all of the three Marathon number ranges as CI and IoM numbers.

For clarity on all of these matters, it may make more sense to migrate all of these “offshore” mobile numbers to the 0761xx (Guernsey), 0762xx (Isle of Man) and 0763xx (Jersey) ranges, leading to simplification of presentation in price lists and an easier to remember prefix list. It could also lead to simplicity in number porting within those markets and better clarity as to where the “home” territory is when roaming, especially where numbers are sold as so-called “Worldwide SIMs” such as those offering cheap roaming facilities worldwide. It would also simplify call routing.

If the remaining small number of pager allocations were moved out of the 0760X, 0761X, 0762X and 0763X ranges, perhaps by migrating to 0767X ranges, and the various 076XX MNP codes were to be migrated to exactly matching 0760XX ranges, this would create the space for such allocations. The 0799X MNP codes could also move to exactly matching 7606X ranges.

Published retail tariffs

Mobile numbers with higher than usual termination rates have remained non-inclusive in allowances but it is clear from changes made in recent years that Ofcom is working hard to remove the various anomalies. Other number ranges (such as 080, 084, 087 and 09) have also benefitted from various reforms over the last few years allowing massive simplification of provider retail price lists.

When looking at retail tariff details, the 07 range is still by far the most complicated. Ofcom’s extension of the mobile termination rate cap to cover all UK mobile numbers should have eliminated the “non-mobile” numbers category but many landline and mobile providers still have this erroneous category in their price lists. Addition of the long list of prefixes allocated in CI and IoM adds further complexity. A typical example is shown in the left column of the table below.

Removal of the unofficial “non-mobile numbers” category and migration of CI and IoM numbers to a simplified allocation such as, for example, 0761, 0762 and 0763 could bring much needed clarity to provider’s tariffs, perhaps something similar to that shown in the right hand column of the table below.

Current typical retail charge groups...		Possible simplifications...	
Prefix	Price	Prefix	Price
UK geographic numbers starting 01, 02 (except 01481, 01534, 01624)		UK geographic numbers starting 01, 02 (except 01481, 01534, 01624)	
Geographic numbers in Channel Islands, Isle of Man (01481, 01534, 01624)		Geographic numbers in Channel Islands, Isle of Man (01481, 01534, 01624)	
UK mobile numbers starting 071, 072, 073, 074 (except 074060, 074061, 074062, 074063, 074064, 074065, 074066, 074067, 074068, 074069, 074171, 074172, 074176, 074177, 074179, 074181, 074182, 074184, 074185, 074186, 074188, 074390, 074391, 074410, 074411, 074412, 074414, 074415, 074417, 074418, 074419, 074515, 074516, 074517, 074520, 074521, 074522, 074523, 074524, 074525, 074526, 074572, 074574, 074576, 074577, 074578, 074579, 074582, 074583, 074584, 074585, 074588, 074653, 074655), 075 (except 075090, 075091, 075092, 075093, 075094, 075095, 075096, 075097, 075200, 075201, 075203, 075204, 075205, 075207, 075208, 075209, 075370, 075373, 075375, 075376, 075377, 075378, 075379, 075590, 075591, 075592, 075593, 075595, 075597, 075598, 075599, 075710, 075718, 075890, 075891, 075892, 075893, 075898, 075899), 077 (except 077000, 077001, 077003, 077007, 077008, 077442, 077443, 077444, 077445, 077446, 077447, 077448, 077449, 077530, 077552, 077553, 077554, 077555, 077810, 077811,		UK mobile numbers starting 071 to 075, 077 to 079 Mobile numbers in Channel Islands, Isle of Man (0761x, 0762x, 0763x)	
		Non-geographic numbers starting 03	
		Non-geographic numbers starting 080	
		Non-geographic numbers starting 084, 087, 09	
		Corporate numbers starting 055	
		VoIP numbers starting 056	
		Personal numbers starting 070	
		Pager numbers starting 0764x to 0769x	
		Police non-emergency 101	
		Power cuts and blackouts 105	
		NHS 111	
		Emergency services 112/999	
		Helplines starting 116	
		Directory enquiries starting 118	

<p>077812, 077813, 077814, 077815, 077816, 077817, 077818, 077819, 077977, 077978, 077979), 078 (except 078220, 078221, 078222, 078224, 078225, 078226, 078227, 078229, 078297, 078298, 078299, 078391, 078392, 078397, 078398, 078644, 078722, 078727, 078730, 078744, 078745, 078922, 078925, 078930, 078931, 078933, 078938, 078939), 079 (except 079110, 079111, 079112, 079117, 079118, 079240, 079241, 079242, 079243, 079244, 079245, 079246, 079247, 079248, 079249, 079370, 079371, 079372, 079373, 079374, 079375, 079376, 079377, 079378, 079379, 079780, 079781, 079782, 079783, 079784, 079785, 079786, 079787, 079789)</p>		<table border="1"> <tr> <td data-bbox="824 121 1377 178">Mobile shortcodes</td> <td data-bbox="1377 121 1461 178"></td> </tr> <tr> <td colspan="2" data-bbox="824 178 1461 457"> <p>A future review of corporate numbers starting 055, VoIP numbers starting 056 and pager numbers starting 076 may offer opportunities for further simplicity.</p> </td> </tr> </table>	Mobile shortcodes		<p>A future review of corporate numbers starting 055, VoIP numbers starting 056 and pager numbers starting 076 may offer opportunities for further simplicity.</p>	
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<p>Non-mobile numbers (074060, 074061, 074062, 074063, 074064, 074065, 074066, 074067, 074068, 074069, 074171, 074172, 074176, 074177, 074179, 074181, 074182, 074185, 074186, 074188, 074390, 074391, 074410, 074411, 074412, 074414, 074415, 074417, 074418, 074419, 074515, 074516, 074517, 074572, 074574, 074577, 074578, 074579, 074582, 074583, 074584, 074585, 074588, 074653, 074655, 075200, 075201, 075203, 075204, 075205, 075207, 075208, 075209, 075370, 075373, 075375, 075376, 075377, 075378, 075379, 075590, 075591, 075592, 075593, 075595, 075597, 075598, 075599, 075710, 075718, 075890, 075891, 075892, 075893, 075898, 075899, 077000, 077001, 077442, 077443, 077444, 077445, 077446, 077447, 077448, 077449, 077530, 077552, 077553, 077554, 077555, 078220, 078221, 078222, 078224, 078225, 078226, 078227, 078229, 078644, 078722, 078727, 078730, 078744, 078745, 078922, 078925, 078930, 078931, 078933, 078938, 078939, 079110, 079112, 079118, 079245, 079780, 079781, 079782, 079783, 079784, 079785, 079786, 079787, 079789)</p>						
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Police non-emergency 101						
Power cuts and blackouts 105						
NHS 111						
Emergency services 112/999						
Helplines starting 116						
Directory enquiries starting 118						
Mobile shortcodes						

It goes without saying that changing charges for calls to 070 numbers to be the same as for calls to UK mobile numbers will be a most welcome step and will eliminate most of the problems that have occurred on this range since its inception in 1995. Changing to a system where the called party pays for the call-forwarding will soon reveal whether there is a real demand for this type of service.

Last updated: 2018-02-28