

19<sup>th</sup> June 2019

## **Response to Ofcom's First consultation: "Future of Telephone Numbers"**

Magrathea welcome the opportunity to respond to this consultation, which we understand to be the initial stages of a more detailed consultation process. We agree that now is a sensible time to be reviewing these topics but urge caution in making too many major changes simultaneously.

The technical and regulatory burdens currently facing carrier networks and telecoms service providers is vast and therefore it is our opinion that some of the lower priority issues should be addressed at a later stage to allow the immediate challenges (e.g. IP migration, WLR shutdown, Contract notifications etc) to settle.

### **Response to consultation questions**

Question 2.1: We have set out developments in voice telephone services that are important in shaping our review of the future use of numbers to promote consumer confidence. Do you agree that these are the key considerations? Do you have any comments on our analysis of these developments? Are there any other developments or considerations that should be part of shaping this review, and if so, in what way?

We think this appears to be a fair analysis of key considerations. As mentioned above we are not of the view that these issues are currently a matter of priority, with perhaps the exception of addressing bill shock as a result of extreme access charges (084/087 numbers) and mobile call charge differences. We note that 070 ranges have already been addressed with price changes coming into effect in October 2019.

Question 3.1: What are your thoughts on the ability to dial local numbers from a landline without the area code? Do you think the local dialling facility has value?

Question 3.2: Do you think local dialling should be closed on an area by area basis as required to increase number supply or across the whole of the UK at the same time? Why do you think this?

Question 3.3: Do you have any views on allowing telecoms providers to make individual decisions on whether to provide customers with the ability to dial local numbers from a landline without the area code?

Question 3.4: For telecoms providers, what are your thoughts on the ability to implement the closing of local dialling in all UK area codes simultaneously?

Question 3.5: For telecoms providers, what are your views on the technical feasibility of providing local dialling to customers when offering an IP-based voice service?

Taking into consideration a number of factors:

- Many users of IP based services have been using services without local dialling as an option for some years;
- Ofcom feedback that the areas where local dialling has been closed (to make more number ranges available) have gone smoothly without complaint;
- Analysis shows the large volume of calls originating from mobiles, and therefore not using local dialling, so consumers are used to dialling the full number.

It is our opinion that local dialling should be closed across the remainder of the UK in one go. This would be the simplest way to manage a consumer awareness campaign.

We can't see a reason to prevent service providers who wish to continue to support local dialling from doing so, in fact some may use this as a service differentiator. However as more number ranges are opened up in each area this will become unworkable anyway.

Question 3.6: What do you consider are the important factors about geographic numbers? For example, is it the information they provide about the caller/called party? Is it familiarity, trust or confidence in call cost?

Question 3.7 What are your thoughts on retaining area codes in geographic numbers? Do you think location significance in geographic numbers has value and should be preserved? If so, why? How might your view change over time?

Our own small amount of analysis suggests that geographic area codes do still have relevance and therefore should be retained for the foreseeable future. For many people they provide confidence about the cost of the call or if it's included in bundle packages and provide confidence that they are being called by someone with local relevance.

For business users in particular there are many who wish to position themselves as a local service provider and having a trusted number type is valuable to them.

We believe area codes will remain valuable to users for some years to come and therefore if they were to be discontinued we would anticipate some disruption to the market while users who wish to continue use will be forced to deal with legacy networks who have the number stocks.

Question 4.3: For telecoms providers, we are interested in hearing from providers that offer services on 084 and 087 numbers to their customers. If you do, can you provide some examples of use cases? What benefits do you offer to organisations in using 084 and 087 numbers rather than other numbering options? For originating providers, do you have any customer experience of attitudes towards and views on calling 084 and 087 numbers that you can share?

A very brief survey of our clients suggests that there is still a viable market for these numbers. The predominant reason they are used based on this survey is to provide a service without additional transaction that would otherwise require a chargeable event. For example, a conference calling service or number translation.

In the majority of cases it would be impossible to support these types of service in any reasonable way by other means. The micro payments required to support the service or call diversion is usually too small and the service requirement too transient to warrant any kind of account setup or pre-registration.

Question 4.4: Are there changes to 084 and 087 number ranges that you think Ofcom should consider proposing to address the concerns highlighted in the research summarised in paragraphs 4.17 to 4.26?

Ofcom have highlighted a large amount of consumer unease using these number types for the reasons listed in the consultation and, despite Ofcom's best intentions when implementing the separate service and access charges regime, we believe the vast majority of the problems are the result of excessively high access charges by many networks – especially mobiles. The problem being particular exacerbated by the increase in volume of calls originated on mobile networks.

It is our opinion that the access charge should be capped to a reasonable limit and that limit is likely to only be reasonable at 2p or less. By implementing a cap we would expect much of the mistrust around these ranges to disappear.

## Summary

- We support the closure of local dialling across the UK.
- Area codes are still valuable to our clients and we support the continuation of allocations.
- 084/087 revenue generating numbers still provide a valuable service and should be continued.
- Access charges should be capped to a reasonable level.