

## Consultation response form

Please complete this form in full and return to [futureofnumberingteam@ofcom.org.uk](mailto:futureofnumberingteam@ofcom.org.uk).



Question	Your response
<p><b>Question 3.1: Do you agree with our proposal to remove the obligation for telecoms providers to provide the local dialling facility? Please provide reasons for your response.</b></p>	<p>Confidential? – Y</p>
<p><b>Question 3.2: Do you agree with our proposal to retain the provisions in the Numbering Plan which (i) allocate location significance to area codes and (ii) allow phone users to request out-of-area use of geographic numbers? Please provide reasons for your response.</b></p>	<p>Confidential? – Y</p>
<p><b>Question 4.1: Do you agree with our proposal to modify the Numbering Plan to prohibit direct and indirect revenue sharing with the calling party for calls to all geographic and non-geographic numbers? Please provide reasons for your response.</b></p>	<p>Confidential? – N</p> <p>Please see below</p>

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**24 Seven does not agree with this proposal.**

Historically Ofcom has stressed the importance of micro payments across industry in helping generate innovation and competition. Particularly in the small and medium telecoms market. This proposal goes against Ofcom's stated vision and could have a greater impact across the entire PRS market if it is implemented. The proposal is anti-competitive and prevents service providers from offering any new innovative services.

The proposed changes to the Numbering Plan will affect far more services than was intended and will reduce income for a number of charities. As well as harming current businesses and deterring new entrants into the telecom market.

24 Seven believe the reduction in use of the 087 and 084 ranges has been driven by the extremely high and unwarranted Access Charges applied by networks such as EE, Vodafone etc. For example, a 1p per minute call can incur an access charge of up to 70p. Clearly this is not helping encourage the use of the ranges.

The claims made by BT in regard to the 'calls for cash' type services increasing AIT and causing consumer harm by driving up costs, are simply anecdotal and are unsupported by any evidence from BT.

24 Seven's view is that the reasons behind BT's efforts to encourage OFCOM into barring this type of service has nothing to do with AIT and consumer harm and more to do with BT wishing to cover their own commercial mistake in including 087 and 084 calls within their calling bundles. BT and other CP's are not required to include these ranges in their bundles, they have chosen to do so based on their own commercial decision. BT now realise that by including these ranges in bundle and advertising them as 'unlimited' they cannot now charge an Access Charge. As the Access Charge can far out way the actual call tariff rate as set out above, BT has effectively shot itself in the foot by including these ranges in its call packages, but now cannot lose face with its customers by now withdrawing the ranges from packages. Instead, BT is trying to encourage OFCOM to bar services such as 'Calls for Cash' that encourage genuine callers to call based on anecdotal claims.

Neither BT nor any other operator who include 087 and 084 numbers within their contracted call bundles offer refunds or roll over unused minutes. The call bundle contracts offered are typically priced higher than other non-inclusive call contracts. Yet when consumers who clearly do not use the minutes available to them within bundle, BT and others do not offer to move consumers to a

**cheaper and possibly more suitable contract. Instead, they continue to charge the additional contractual amount BT's commercial team has factored into these contracts to make them viable. 24 Seven would therefore argue that 'Calls for Cash' services provide a vital consumer role in helping customers use their unused minutes and recover potentially lost charges they have incurred from their network operator from being on these call bundle contracts.**

**'Calls for Cash' operates in the same way as any other PRS services that offers a prize or reward for calling the PRS number such as competition services. Prize money or the cost of the prize such as holidays are covered by the revenue generated by calling the PRS number concerned. The fact that BT and others decided to include 087 and 084 numbers in their calling packages and that consumers can now ring these calls for cash numbers as part of their package is not the TNO's or the service provider's issue. By barring 'Calls for Cash' services Ofcom would effectively be saying any PRS completion service offering prizes or rewards covered by the revenue generated would be considered AIT or causing consumer harm.**

**The fact that BT and other operators do not include 09 PRS numbers in bundle clearly demonstrates that BT and others understand the risks and have taken a commercial decision to include 087 and 084 in bundle. Their unsubstantiated claims of AIT and consumer harm are simply a cover to try and disguise their own commercial short comings. There is already a mechanism in place by which BT and other signatories of the SIA can challenge any traffic it believes is AIT, and BT has done so. However, they have failed to demonstrate in a "strong and Convincing" manor as required by Ofcom from their 2009 determination on Annex E that the traffic represents AIT.**

**Any claims by BT that they have won a number of AIT cases is simply not true. The fact is that Annex E is so heavily weighted in BT's and the ONO's favour that TNO's are left with only one option (legal action) if they wish to challenge BT and others in the event of a dispute. This of course is simply not practical due to the amounts of revenue involved being outweighed by the cost of legal action. BT and other ONO's have regularly refused arbitration in regard to resolving not just this type of disputed AIT cases but others also. BT and others have failed to engage in any meaningful dispute resolution, but instead BT and other ONO's simply sit back and wait for the Annex E 10-month time out clause to come into force and then claim as no legal action was taken by the TNO the traffic must be AIT. The danger of this activity by BT and others was highlighted by a number of operators during the Ofcom 2009 review of the current Annex E. Ofcom went to**

great lengths to stress the importance of BT's roll in the dispute process which Ofcom outlined in their "Safe guards" section of their determination. It is 24 Seven's view, along with a growing number of operators, that BT and others are failing in this regard. Faced with a potential legal challenge, BT is now trying to encourage Ofcom to bar these types of services using claims of consumer harm and increased AIT for which they have failed to produce the required "Strong and convincing" evidence.

24 Seven has concerns that however unintentional, the impact of the changes to the numbering plan currently being considered by Ofcom could have a major impact on the whole of the PRS market. Effectively, if Ofcom approve this they will be setting a precedent that any new innovative service that BT or others do not like because it impacts their bottom line, then BT and others could declare that they consider it to be AIT and causing consumer harm, without any evidence to support such claims.