

Utility Warehouse response to Ofcom's roaming consultation

Introduction

Utility Warehouse Ltd. ('UW') welcomes the opportunity to comment on Ofcom's consultation 'Mobile roaming: Strengthening customer protections'. We agree with the importance of informing customers about charges and providing them with the tools to protect themselves against unexpectedly high bills. Indeed, since the expiry of the roaming protections in July 2022, we have continued sending our customers welcome messages and have maintained the £45 roaming cap. We currently have no intention of withdrawing either. We are also one of very few who have continued offering proper 'Roam like at Home' tariffs which means that our customers benefit from inclusive roaming in the EU at no extra cost to the customer. This means that our customers in Northern Ireland are not impacted by inadvertent roaming in the UK, nor are customers roaming close to France. In addition, we offer our customers easy tools and options to protect themselves against running up high charges which are both in the customer interest and in our interest.

Below we first set out the mobile plans we offer and the way customers can limit their spend. We then explain how we currently send the roaming alerts via our wholesale network partner and what the implications are of Ofcom's proposals in relation to alerts. After that we respond to the consultation questions.

UW mobile plans and options for customers to limit their spend

We currently offer two types of mobile tariffs with the following features to limit customers' spend:

1. Pay monthly - Customers pay a fixed amount per month for unlimited minutes, unlimited text messages and either unlimited or 5GB of data. Any out of bundle charges (for example calls to Premium Rate numbers, international calls, MMS) are separately added to the next bill. Customers are able to protect themselves from running up any international and roaming charges by an on/off 'toggle' in their online account which they can apply themselves in addition to the settings within their device. The changes to the 'toggle' take effect a few hours after the change is made.
2. Budget control option - With our Budget Control option, a customer will need to top up to be able to make calls, send SMS messages and use data services whilst outside the UK or EU zone in the same way that prepay customers do. If within the EU zone, usage will come out of the customer's inclusive allowance and there is no need to top up (subject to our Fair Usage Policy). International calls made from the UK are charged on the customer's monthly bill rather than deducted from any available credit or pre-loaded allowance. This is where a customer can set an international call cap.

We have implemented the rules in relation to bill limits through our Budget Control option. Customers can switch easily and for free from a Pay monthly to a Budget Control plan and vice versa. If customers switch, their new plan will become active on the first day of the next month. We discussed and agreed our Budget Control plans with Ofcom in the context of the introduction of bill limits in 2018.

Roaming alerts and our wholesale partner

We are a reseller of mobile services and use the network of our wholesale partner BT/EE to provide a mobile service to our retail customers. BT/EE carry out a number of activities for us, including:

- Network access (everything from spectrum purchasing to cell site access);
- SIM card management through APIs;
- Numbering / porting;
- Prepay billing;
- CDRs generation;
- Certain regulatory obligations around accessing emergency services;
- Agreements with roaming partners; and
- Roaming SMS alerts (for both Pay Monthly and Budget Control) e.g landing messages.

Our current roaming alerts include the following information:

- Zone specific roaming charges;
- Existence of our EU fair usage policy;
- Weblink for further roaming information;
- Mention of 112 for EU roaming; and
- Phone number to call for further information.

The alerts do not include any customer specific information around bill limits. This information is stored in our CRM system which is not accessed by BT/EE to send the UW roaming alerts (or for any other purpose). Providing BT/EE access to and including this information in the landing messages would require significant development for both BT/EE and UW. In addition, it would distract from our current roadmap (including the launch of new plans and 5G). In the consultation¹, Ofcom set out that ‘The costs of providing roaming alerts with personalised price information, personalised information on mobile bill limits and signposting further information are relatively low’. However, it acknowledges² that including customer specific bill limit information may increase the cost. We encourage Ofcom to engage with more wholesale providers, MVNOs, resellers and aggregators to obtain information about the implementation of the proposed alerts. Such an implementation is likely to be significantly more complex and therefore more expensive and resource intensive for those parties compared to vertically integrated providers. We have had some initial engagement with BT/EE on the subject, but no detailed impact assessment has been carried out to date.

Consultation questions:

Question 1: Do you agree with our proposals to introduce rules and accompanying guidance requiring providers to send customers roaming alerts that include information on roaming charges, mobile bill limits and where to access more information?

We agree with Ofcom’s objective³ that to make informed choices about using roaming services, be able to monitor and limit spend, avoid unexpected roaming bills and be able to use their device outside the UK with confidence, customers need to:

¹ The header above paragraph 4.93.

² See paragraph 4.95.

³ As set out in paragraph 4.7.

- know when they are roaming at the point they start roaming;
- have clear, accurate and timely information on if/what they will be charged (including any limits on usage or time periods); and
- know how they can limit their spend.

We note that the consultation does not include any analysis of the number of customers impacted by unexpectedly high roaming charges, or an assessment of the likelihood of providers removing current protections. In the absence of this information, it is hard to assess how proportionate the proposal to include customer specific bill limits is and whether other, less intrusive remedies would be more appropriate.

We believe there are different ways to achieve this objective which could be equally effective as Ofcom's proposal but considerably cheaper and quicker to implement. Below we set out three alternatives

1. Roaming alerts could include a more generic mention of bill limits and a link to an online account and phone number where customers can check their details or set a limit ('please check here or call X to check what your current bill limit is or how to set one').
2. Send personalised bill limit information to the customer in a separate message, immediately after the landing message has been sent. In the case of MVNOs and resellers, this would require the wholesale provider to notify the reseller or MVNO that a landing message has been sent, which would trigger the reseller / MVNO to send the bespoke bill limit message to the customer. The wholesale provider would not need to get access to the reseller / MVNO's CRM system which would significantly reduce the implementation costs and time. An additional benefit would be that the bill limit information would not get 'lost' in the overall landing message, which already includes a lot of information.
3. Mandate a data roaming cap. Ofcom sets out in the consultation that, like UW, many providers currently continue to offer this protection voluntarily and that it is good practice for providers to continue to do so. They propose including it as part of the new roaming guidance, but could instead mandate it in formal regulation. We consider that a data roaming cap is a very useful and direct way to protect customers from unexpected charges which does not require any action on behalf of the customer. Most providers still have the caps in place, so implementation cost would be minimal.

To increase the customer awareness that roaming services are included in bill limits (which according to Ofcom research 55% of customers are aware of), Ofcom could require providers to specify this more clearly in the information around bill limits and when customers select a bill limit.

Question 2: Do you agree with our proposals to introduce rules and accompanying guidance requiring providers to (a) have and publish measures to enable customers to reduce and/or limit expenditure related to inadvertent roaming while in the UK and (b) provide information on how to avoid inadvertent roaming both in and outside of the UK?

Whilst we agree in principle with the proposals put forward in relation to inadvertent roaming we note that as a reseller, we have no control over any network related solutions that could be used to minimise inadvertent roaming in the UK. We currently offer RLAH tariffs in the EU zone which means that our customers can use their allowances at no extra cost when (inadvertently) roaming in Ireland. If at some stage in the future it becomes unviable to continue offering this, we will need to consider our options and work together with our wholesale provider to develop an offering for customers in Northern Ireland.

Question 3: Do you agree with the proposed implementation period of 6 months from publication of the statement and the changes to General Condition C3 and guidance?

As set out above, we depend on BT/EE to implement the biggest part of the changes required and it will be mainly their timeline dictating ours. Without a detailed impact assessment, it is not possible at this stage to comment on the length of the implementation period.