



27th November 2019

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Three's Response to Ofcom's Treating Vulnerable Consumers Fairly consultation

Three welcomes the opportunity to respond to Ofcom's Consultation on Treating Vulnerable Consumer's Fairly.

Three is the UK's challenger mobile network. Since our launch in 2003, our focus has been on enabling our customers to make the most of their mobile service through the development of innovative propositions, such as unlimited data packages and 4G – now 5G - at no extra cost.

As a result, Three carries nearly a third of the UK's mobile data traffic, with our customers using more than 10.4GB of mobile data per month – roughly 3 times the industry average. Three will be the market leader in 5G, as the only UK mobile network operator (MNO) with 100 MHz contiguous 5G spectrum and is investing £2.3bn in building the UK's fastest 5G network.

Three supports Ofcom's work to ensure all customers, in particular vulnerable customers, are treated fairly especially considering some of the distinct barriers many of them will face when it comes to engaging with the communications market.

However, it is Three's belief that any measures brought forward should be voluntary and believe Ofcom's proposed guide is the best way of achieving its aims of ensuring vulnerable customers are treated fairly. It is our view that a non-prescriptive guide, as opposed to regulation, gives providers the opportunity to adopt those measures that are most appropriate for their business and importantly, their customers.

Below you will find detailed responses to Ofcom's consultation questions, including comments on those measures set out in section 3-7. We have further included some additional points that

we believe Ofcom should consider and would welcome the opportunity to meet and discuss them in more detail.

Consultation Questions

1. Do you have any comments on Ofcom's proposal to publish a guide to help providers treat vulnerable customers fairly?

Three considers that the guide which draws on several relevant sources will assist providers to meet the needs of vulnerable customers and deliver good outcomes. It allows providers to consider a range of possible measures and choose which are the most appropriate and effective to adopt. Many of the suggestions outlined can be implemented very straightforwardly, others would require investment, resource and a longer time to implement.

Three agrees that a guide on this subject as opposed to new formal regulation¹ is an appropriate and proportionate way forward and is encouraged that Ofcom recognises that providers need to be given flexibility as to how they comply. Three considers this practical approach will deliver better outcomes for customers as it will enable providers to target action to the relevant parts of their respective customer bases. Three would welcome clarity from Ofcom as to how it intends to review adherence to suggested measures which are more specific than the requirements of the GCs if the intention is that the guide is to remain a set of examples of good practice.

We think that Ofcom's aim, *"to help providers to understand and respond appropriately to the needs of vulnerable customers including ensuring their staff are equipped to meet these needs"*² will help deliver the best outcomes for such customers across the industry.

Three does not necessarily agree with Ofcom's view that it does not consider that the contents of the consultation impose *"any burden on providers beyond the requirements of the GCs which they should already be meeting"*³.

Vulnerability is a complex and evolving area and Three welcomes the fact that Ofcom's guide acknowledges this. Three views the delivery of fair treatment for vulnerable customers as an area of continuing good practice and welcomes Ofcom's intention to update the guide over time. One practical difficulty remains the lack of a consistent definition of a vulnerable customer. While there may be broad alignment in most cases, Three expects that Ofcom would take a practical approach to this particularly where providers may also have to take into account requirements of other regulators regarding vulnerability. Ofcom may also seek insights from other regulators on this to align approaches to this and provide more regulatory certainty.

Ofcom could go further in recognising that for responsible providers this will be an evolving activity and indicating that it will take this into account in its approach to reviewing how

¹ Ofcom 2019 Treating Vulnerable Consumers Fairly, section 2.6.

² bid section 2.11

³ bid section 2.21

providers implement the guidance in practice. Three considers that Ofcom should have regard to the scale of implementation challenge posed by some of these practical measures.

2. Do you have any comments on the suggested measures set out in sections 3-7? Please set out your comments on each section separately.

Section 3: Establishing and Publishing Policies

It is encouraging that the dynamic nature of vulnerability is acknowledged by Ofcom. It can be difficult in practice for providers to predict and respond to changes in personal circumstances of consumers which are beyond the knowledge, influence and responsibility of providers themselves. Whilst an understanding and response could be expected from providers to the issues which might typically affect their customers, such as vulnerability due to age, complex cases can require a more bespoke response which may take time to develop.

Section 4: Treating Vulnerable customers fairly

The steps which Ofcom proposes providers should take to identify vulnerable customers' need careful consideration; some customers may not wish to disclose their vulnerability or when prompted may disclose a vulnerability that is of no apparent relevance to the service provided. It is important for providers to be able to take steps to ensure so far as practicable that the concept of vulnerability is not be abused, for example, to access specific services.

Ofcom should be careful of obliging providers to go beyond what is practicable in identifying vulnerability particularly requiring the adoption of obtrusive measures. It is not necessarily common practice for customers to share information, which they may regard as sensitive, with an unknown advisor at the end of a phone or via webchat.

Offering a wide range of communications channels can present practical challenges and it is for providers to determine which channels can best serve the needs of their customer base. Conversations initiated via one means of communications cannot necessarily be seamlessly continued in any combination of other channels so the suggested mixing of communications channels may prove practically difficult to deliver.

It would be helpful if Ofcom could clarify what its expectations are of providers to refer customers to specialist organisations⁴

Section 5: Recording Information

Three acknowledges the importance of recording customer's needs accurately. This can only be effectively done where those needs are clearly articulated; could Ofcom offer guidance in cases where it is apparent that a customer may need additional help but is unwilling or unable to explain what that might be?

⁴ Ibid 4.11

Section 6: Monitoring Performance

Three considers that Ofcom has provided useful practical suggestions as to what providers might consider in relation to performance monitoring, many of which it already has in place.

Section 7: Staff Training

Three considers that Ofcom has provided useful practical suggestions as to what providers might consider in relation to staff training, many of which it already has in place.

Additional points

Three would welcome hearing from Ofcom with proposed guidance on how short-term or intermittent vulnerability could be effectively dealt with.

It would be useful to understand how Ofcom intends that future guidance might support relevant requirements of the EECC.

Three would be willing to discuss with Ofcom and industry the implementation of the proposed measures and, on an ongoing basis, further examples of good practice that Ofcom might look to introduce. It might also be helpful to discuss how consistency of certain measures could be achieved across industry for the benefit of vulnerable consumers.