



Good practice guide to help prevent misuse of sub-allocated and assigned numbers

TalkTalk response to February 2022 consultation

April 2022

NON-CONFIDENTIAL VERSION

1 Summary

- 1.1 TalkTalk welcomes the opportunity to respond to Ofcom's consultation on its proposal to introduce a best practice guide to help prevent the mis-use of sub-allocated and assigned numbers.
- 1.2 We agree a best practice guide will bring more consistency across operators in the sub-allocation of numbers and ensure greater checks and balances are in place to ensure their proper use. The best practice guide must help achieve these aims while ensuring that the requirements on operators remain proportionate.
- 1.3 Clarification of the scope of the best practice guide is required to ensure it is effective, as detailed in Section 2. We also have some comments on the specific due diligence checks, which are set out in Section 3.

2 The scope of the best practice guide

- 2.1 The following clarifications about the scope of the best practice guide are required to ensure it is effective:
 - How it interacts with Phone-Paid Services Authority (PSA) rules; and
 - How it will apply in the wholesale market where numbers are further sub-allocated by wholesale partners of the original range holders.

We comment on each of these below.

Interaction with the PSA rules

- 2.2 The PSA regulates phone-paid services provided using numbers beginning with 09, 118, 087, 070. The PSA Code of Practice ("Code 15") sets out the standards and requirements that providers of phone-paid services must follow, including the responsibilities of network operators, intermediary providers and merchant providers across the value chain.
- 2.3 Code 15 requires PRS providers across the value chain to have due diligence, risk assessment and control procedures in place for the provision of PRS. We expect that these procedures are likely to fulfil Ofcom's policy aims in respect of the sub-allocation of number ranges where the numbers begin with 09, 118, 087, 070.
- 2.4 We therefore propose that the scope of the proposed best practice guide excludes numbers used for PRS and instead, refers to providers' existing responsibilities under Code 15. If any additional measures are required to secure Ofcom's policy aims, these should be made explicit in the best practice guide.

Responsibilities across the wholesale value chain

- 2.5 The best practice guide must make clear the responsibilities of original range holders and their wholesale partners. Original range holders' responsibilities extend to their sub-allocation of numbers to wholesale partners and putting in place appropriate contractual controls. Ofcom should make clear in the best practice guide that original range holders are not expected to carry out due diligence checks relating to downstream customers of their wholesale partners, as this is the wholesale partner's responsibility (and the original range holder logically has no contractual means to enforce any due diligence checks).
- 2.6 Furthermore, the original range holder is unlikely to have access to information that would support continuing assessment of the use of the numbers sub-allocated by its wholesale partners: for example, complaints data. Checking for unusual activity on these numbers would not be viable and proportionate. Sharing data about end users with wholesale partners upstream would also be likely to present challenges relating to security and privacy.
- 2.7 The definition of 'sub allocation' should be expanded to reflect the different types of number sub allocation by original range holders, wholesale partners and downstream resellers. The specific responsibilities of providers across the value chain should be made explicit.
- 2.8 The best practice guide also needs to reflect that range holders do not continue to have any control or oversight over the use of numbers that have been ported to another network when a business customer moves to another supplier but takes their number with them.
- 2.9 Similar to the PSA Code, the range holders must be able to understand in some detail what reasonable steps they are expected to take as part of the due diligence process to satisfy Ofcom's requirements.
- 2.10 The best practice guide should be updated to give providers sufficient time to implement any resulting contractual changes required to fulfil their responsibilities and make clear the roles of the different parties.

3 The approach to due diligence checks

'Know your customer' checks

- 3.1 We agree with Ofcom that providers should have a due diligence framework in place for sub-allocating numbers. We note the following limitations to the checks that providers may reasonably be able to carry out:

- Companies House checks. Not all businesses will be registered with Companies House, for example, sole traders. Sometimes there are delays to information being updated and available via Companies House.
- Address checks. Addresses may not match with the install address in a number of scenarios, for example, home worker lines, Head Offices, VOIP or other nomadic services.
- Email address checks. There may be some scenarios where it is reasonable for the same email address being used to open multiple accounts, for example, where a single email address is used by a shared procurement team.

Automated online platforms

- 3.2 TalkTalk supports measures which will prevent the procurement of telephone numbers from automated online platforms without any due diligence being exercised by the purveyors with regard to the intended use of the numbers, or geographic location of the purchaser. We believe that it is important that a trackable chain of suballocation and responsibility is maintained, to enable the application of regulatory enforcement where required.