

Communications Consumer Panel and ACOD's response to Ofcom's proposals to tackle scam calls and texts

About us

The Communications Consumer Panel, established by the Communications Act 2003, is a group of independent experts with direct sectoral experience. We ensure the voice of UK consumers, citizens and micro-businesses is represented in communications policy development.

The Panel's job is to ensure that the sector works for consumers, citizens and micro businesses - and in particular people who may be in a more vulnerable position in society. We carry out research, provide advice and encourage Ofcom, governments, industry and others to look at issues through the eyes of consumers, citizens and micro businesses.

The Panel pays particular attention to the needs of older people and people with disabilities, the needs of people in rural areas and people on low incomes, and the needs of micro-businesses, which have many of the same problems as individual consumers.

Four members of the Panel also represent the interests of consumers in England, Northern Ireland, Scotland and Wales respectively. They liaise with the key stakeholders in the Nations to understand the perspectives of consumers in all parts of the UK and input these perspectives to the Panel's consideration of issues. Following the alignment of ACOD (the Advisory Committee for Older and Disabled people) with the Panel, the Panel is more alert than ever to the interests of older and disabled consumers and citizens.

Our response

We welcome the opportunity to respond to Ofcom's consultations on tackling scam calls and texts, and, having engaged with the Ofcom consumer policy and enforcement teams on a regular basis around this extremely important area of consumer protection.

We also represent smaller, micro-businesses, which - without the resources held by larger businesses - face many of the same challenges as domestic customers, some with an additional responsibility to protect their own customers from scams.

Our research

In our independent [research](#) '**Scammed: exploited and afraid**' (2020) we looked into the impact of scams using any of the Ofcom-regulated communications and postal networks, on consumers.

The research found that scammers took advantage of:

- **consumers' trust in the people they were receiving communications from**, or trust that the scammer is genuinely a person who is there to help;
- **consumers' relatively low confidence in their use of technology**, compared to the scammers' clever use of technology and design; and
- **consumers' impulse reactions to the marketing of products online** - prices that are too good to be true, time-limited offers or life-changing opportunities (winning the lottery).

Participants in the research felt ashamed to admit they had been scammed, but a strong driver in reporting scams was to protect others from the same harm and humiliation.

Our conclusions were that consumers' needs are:

- **Security:** consumers need to feel that they can use communications services without being afraid of scams;
- **Clarity:** consumers need to be able to find information on scams easily; if targeted, consumers have a clear way of reporting the scam - they know who to report it to and to be able to do so in a way that suits them;
- **Action:** consumers have a right to expect that their report of fraudulent activity will be handled compassionately, and action will be taken;
- **Monitoring:** consumers need agencies to work together to measure and fix the problem and governments should provide the necessary regulatory and enforcement resources to support this.

In our 2016 report '**Digital Footprints: a question of trust**', we highlighted the role that communications providers can play in helping to protect their customers from digital crime. One of our recommendations was that communications providers should provide their internet customers with a basic level of anti-virus software to all of their customers and we have been pleased to see that some providers have been providing this.

We commissioned in 2022 a follow-up piece of research and an immersion study, to understand consumers' trust in their providers and their understanding of digital privacy, six years on. The quantitative report is due to be published in the coming weeks we welcome the opportunity to share our findings and recommendations with Ofcom. Our small-scale immersion studies with consumers across the UK showed varying attitudes, from awareness of the use of a virtual private network (VPN) to protect a consumer's internet protocol (IP) address from identity theft, to a sense that consumers could feel protected by UK companies, to total trust and belief that providers have a duty of care towards their customers, with safety and security taken for granted, with no action required or taken on their part.

Our advice to Ofcom

Scams are criminal, fraudulent activity, but the consumer being scammed may not know the identity of the scammer, who may be using the identity of a legitimate party to gain the trust of the consumer.

We welcome Ofcom's work on improving the accuracy of caller line identification (CLI). We argued for CLI to be free of charge for all communications consumers a number of years ago and were pleased to see the change take effect. We know that it is a valuable tool, which consumers rely on. We have also welcomed network-wide call-blocking by communications providers, based on network analysis and consumer feedback, to protect many consumers, before they are scammed.

We strongly support Ofcom's proposal to modify General Condition C6.6 to require providers, where technically feasible, to identify and block calls with CLI data which does not uniquely identify the caller. Not only is it an unfortunate necessity that public and private sector organisations must be vigilant to this criminal activity, to protect consumers and citizens, but because of the unknown identity of the scammer, labelled as the legitimate organisation, it is also vital for private and public sector organisations to protect their business' reputation by helping to stamp out scams. For example, in a discussion with other consumers during our recent immersion session on digital privacy, a participant said "Yeah, [*postal service provider*] - they do a lot of scamming..." We welcome HMRC's participation in Ofcom's Do Not Originate list.

We would also reiterate our prior comments to Ofcom, which fall into four broad categories:

- Proactively raising consumer awareness to empower people and businesses to protect themselves and report fraudulent activity;
- Learning from best practice in this and other sectors and sharing best practice with communications providers and licensees;
- Tackling consumer confusion so that consumers understand who they are giving their information to and who they are paying for a service;
- Make it easy for consumers to report a scam, so that they feel empowered to protect themselves and others, rather than ashamed;
- Consumer communications around the industry-led migration of landline telephony network to Voice-over-Internet-Protocol (VOIP).

Proactively raising consumer awareness to empower people and businesses to protect themselves and report fraudulent activity:

We support Ofcom's engagement with other regulators, communications providers, consumer organisations, scam protection bodies such as Stop Scams UK and others, to share information to tackle fraudulent activity across communications networks. We believe that by working together these organisations can help to promote easily accessible, clear messaging on scams and fraud, arming consumers to protect themselves.

- Ofcom's recent research on scams has been a useful way to highlight the issue; we wonder whether the research should be conducted on a regular basis to provide key outcomes for organisations to deliver against;
- We recommend raising consumer awareness of simple reporting mechanisms and scam prevention alert services, for example:
 - the 7726 reporting service, designed for reporting suspicious text messages or calls. We recently conducted a series of small-scale immersion studies (focus groups, where Panel Members were able to observe consumers' discussions about topics of interest in this sector) which included sessions on 'digital privacy' and the digital telephony switchover, 'migration to VOIP'. We noticed that consumers who looked at the Ofcom consumer information pages were surprised to find that the 7726 service existed;

- the 159 service which connects potential scam victims to their bank directly; and
- scam alert services provided by consumer advocates such as Which?

We support Ofcom's recent social media campaign to raise consumer awareness of scams and reporting mechanisms.

Learning from best practice in other sectors

While we believe that informing and educating consumers is worthwhile and necessary, the onus to protect themselves from scams should not, we believe, fall solely on consumers empowering themselves.

We believe Ofcom, communications providers and others, as listed above should learn from user-friendly technology, such as one or two click spam filters introduced by organisations such as Google.

We are aware from our engagement with Scottish Government that they are taking an active role in scams awareness and have published a scams prevention strategy which draws on learning from a range of parties.

While we encourage collaboration between communications providers and others in sharing and developing knowledge to best serve consumers' needs, we do not believe communications providers should be left to develop their own understanding and ways of coping with scams where good practice is known and can be shared. We therefore welcome Ofcom's good practice guide for communications providers on preventing the misuse of sub-allocated and assigned numbers.

Tackling consumer confusion so that consumers understand who they are giving their information to and who they are paying for a service

We believe there are ways that Ofcom can help tackle consumer confusion and help consumers to understand who they are giving their money and details to. This may require collaboration between Ofcom and other regulators, communications providers and others.

Examples include:

- **Difficulty for consumers in recognising authentic communications:** we have also previously highlighted to Ofcom that some consumers - acting cautiously to prevent falling foul of an identity thief - might mistake authentic communications as a scam. This could result in adverse consequences for consumers and those contacting them this way, for example, a healthcare appointment or an appointment with a communications or energy provider being missed. Where text message notifications are to be sent by communications providers, we believe it is important that another method of contact is additionally used, to confirm validity of the text message. We particularly urge caution around using text messages containing links to ask consumers to update their personal or financial details;

- **Making it easier for consumers to contact public or healthcare services without being billed by a third party:** we have advised Ofcom that Information Connection Signposting Services (ICSS) continue to be a cause of ‘bill-shock’ amongst consumers and this is of particular concern to us where consumers are trying to

contact public or healthcare services. We do not believe that this practice amounts to fairness for communications consumers and we have shared our concerns with the Phone-paid Services Authority and their consumer panel. We would like to see Ofcom work with other regulators to stamp out unfair and sly practices in the communications sector.

Make it easy for consumers to report a scam, so that they feel empowered to protect themselves and others, rather than ashamed

As highlighted in our 2020 research, those scammed felt ashamed to admit that they had been taken advantage of by scammers, particularly given that the impact often affected other members of their family or business. A driving force in reporting the crime, however, was a need to protect other people from falling victim to the same plight. This should be straightforward, with feedback on next steps provided, so that the person reporting can trust that action will be taken.

Consumer communications around the industry-led migration of landline telephony network to Voice-over-Internet-Protocol (VOIP)

We have raised with Ofcom and the Department for Digital, Culture, Media and Sport (DCMS) our strong support for a UK-wide, coordinated communications campaign to alert all consumers to what is going to happen, why, what this means for them and actions they may need to take. Without such a campaign, we are extremely concerned about the potential for scammers to profit from consumers’ lack of awareness of the migration, relative lack of confidence around digital technology, trust in the scammers’ willingness and ability to help them, and impulsivity in light of an impending deadline, as highlighted by our 2020 scams research.

We have previously highlighted the Australian ‘check; select; connect’ campaign as a good practice campaign, accessible to a diverse range of consumers’ needs and we would encourage governments and Ofcom to consider a similar approach.

In the interim, we believe that Ofcom should work closely with communications providers to ensure they are able to design communications plans around VOIP that do not leave consumers open to scammers - for example, ensuring that those providers use a variety of communications channels so that information is accessible to all of their customers, and ensuring that providers do not use techniques that might undo some of the scam education that consumers have adopted. For example, we believe that communications providers should not rely on sending a link to a consumer in a text message, when consumers have been advised to protect themselves from scams by not clicking on links in text messages.

With BT’s recently-announced pause on migration to VOIP for any consumers other than those choosing to opt-in, we believe now is the best time for Ofcom and providers to work together to ensure that consumers are migrated safely (particularly those using telecare

and other connected services) and there are no unintended negative consequences, such as scams.

Strengthening the consumer voice in this sector

We believe it is vital that Ofcom listens to the consumer voice when planning consumer protection policy and strategy and monitoring its effectiveness.

We engage regularly with consumer organisations and charities across the UK and hold quarterly, themed 'Hubs' on communications sector issues that affect consumers, citizens and micro-businesses across the UK. Our Hubs are attended by organisations representing consumers, citizens and micro-businesses across the UK experiencing challenges due to age and disability-related communications needs, being a carer, living with debt or low income, mental health problems, neurodiversity, ethnicity, loneliness, living and working in remote and rural locations, life events, and many intersections of the above. We would welcome Ofcom's attendance at a future Hub where useful to them - we have received positive feedback on Ofcom policy teams' attendance at previous Hub sessions, including our recent sessions on Ofcom's review of postal services regulation.

Summary

- We applaud Ofcom for continuing to give scams the level of attention and priority that we believe are needed - we appreciate Ofcom's willingness to collaborate, share and learn with other agencies, to protect consumers from the emotional and financial devastation that scams can cause;
- Our previous and recent research highlights the differing levels of awareness, agency and empowerment consumers have in dealing with scams and we continue to highlight the need to make it easy for consumers to identify and report scams. We welcome Ofcom's recent social media campaign in this regard;
- We believe that migration to VOIP could be a source of scams if communications around this are not handled well - now is the time for Ofcom to work with communications providers to proactively protect vulnerable consumers; and
- We support Ofcom's proposed measures to amend its General Condition in terms of caller line identification and the blocking of spoofed calls and the introduction of a good practice guide for providers sub-allocating and assigning telephone numbers - and we support the continued use of the Do Not Originate list as a measure to prevent spoof calls causing harm to consumers.
- We welcome the opportunity to continue to engage with Ofcom on this important part of its policy and enforcement remit and openly invite the policy team to attend our National Consumer Stakeholder Hubs in England, Northern Ireland, Scotland and Wales, to share messages and insights with consumer-facing stakeholders.