



# BT Group Response

Ofcom Further Consultation on Revenue Sharing

February 2024



**BT Group**



# Introduction

1. BT supports Ofcom's proposal to make explicit restrictions on the use of revenue sharing on specific number ranges, with the aim of increasing confidence in phone numbers and services. When used correctly and offered on appropriate number ranges, revenue sharing provides a straightforward, secure way for users to pay for additional services via their phone bill. To ensure this market functions properly, clear and consistent rules are required to ensure market participants understand and can make the most of services available.
2. Given wider trends in UK voice call markets, Ofcom is correct to focus on interventions, which will have the greatest possible chance of delivering positive outcomes for citizens and consumers. We therefore agree that Ofcom is correct to focus on 01, 02, 03, 055, 056, 076, 082, 084, and 087 numbers in its proposed suite of interventions.
3. Nonetheless, we note that Ofcom's decision not to introduce an express prohibition on revenue sharing for the 07 mobile range is likely to encourage bad actors to seek to target this range when engaging in fraud. We would therefore support further initiatives by Ofcom to limit revenue sharing on 07 number ranges, either through a specific prohibition on revenue sharing in the National Numbering Plan or via targeted language in General Conditions dealing expressly with mobile calls.
4. More fundamentally, appropriate sanctions must be introduced alongside any new policy intervention to ensure appropriate compliance. It is essential, therefore, that Ofcom both defines clear rules for market participants and takes appropriate enforcement action where actors are found to be egregiously using number ranges incorrectly.
5. We agree with Ofcom that six months after the Final Statement is an appropriate timeframe for the implementation of changes to the National Numbering Plan. We note, however, that meeting this target might require negotiation between interconnecting providers to agree new rates in some circumstances. This will consume finite administrative resources amongst communications providers during a period of substantive change in the wider telecommunications ecosystem. We therefore urge Ofcom to limit any other interventions in this area until after these changes have taken effect. Moreover, Ofcom could provide guidance on anticipated rates for number ranges to help providers meet these timelines.
6. Our overarching support for Ofcom's approach notwithstanding, we have some specific comments relevant to each number range Ofcom discusses in the consultation. We set out each of these in turn below.

## Category 1 number ranges

### 01/02 and 03 number ranges

1. We agree with Ofcom that there is an implicit or (in the case of 03) explicit prohibition on calling/called party revenue sharing already in place. We therefore support Ofcom's proposal to update the language in the National Numbering Plan to make this clear.

### 056 and 076 number ranges

2. We support Ofcom's proposal to update the language in the National Numbering Plan to make a prohibition on calling/called party revenue share clear.
3. We understand that Ofcom has elected not to specify an interconnect rate for the 076 range<sup>1</sup> and agree that in principle it is appropriate for providers to agree commercial rates, subject to the requirements on existing General Conditions. To facilitate this, however, it would be helpful for Ofcom to provide some guidance on the outcomes it would like to see from these negotiations. Ofcom should confirm its preferences for the 076 range, given it has previously stated that:

*'the cost of calls to...076 [should be] as close to mobile calls [as possible]'*<sup>2</sup>

4. Without such clarification, it is not clear what the basis would be for any commercial negotiations on new rates.

### 055 Number range

5. We do not agree with Ofcom's statement in the summary box that:

*'it was [never] intended that communications providers should share revenue with any other party to the call for the 055 range'.*

On the contrary, Oftel (Ofcom's predecessor body) previously suggested<sup>3</sup> revenue share was the preferred model for the 055 range ('corporate numbers') as the 'most equitable' model to ensure appropriate allocation of costs/revenue between originating providers, terminating providers, and corporate customers. Indeed, the Oftel consultation went as far as to suggest that (emphasis added) "...the operator would be free to share the revenue with the corporate customer". It is likely that this position formed the basis of commercial negotiations on interconnect rates.

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<sup>1</sup> We note new rate negotiation might be required given the 076 range has historically been used for revenue sharing as implied by language in Ofcom Statement Conditions for regulating [Premium Rate Services](#)

<sup>2</sup> See paragraph 6.159 of Ofcom consultation [Simplifying Non-Geographic Numbers](#). While this paragraph covers both 070 and 076 numbers, we note Ofcom has already set this rate in its [Review of Personal Numbering](#)

<sup>3</sup> See paragraph 4.56 of Oftel consultation [Corporate Numbering: a new option for businesses, consultation](#)

6. Nonetheless, we remain supportive of Ofcom's proposals in this consultation but believe Ofcom should provide some indication of the appropriate rate for this number range. This would also ensure operators were able to agree new rates on a non-revenue share basis in line with the timeline set out by Ofcom.
7. BT believes rules and rates for 055 numbers should be aligned with those set for 03 numbers as use cases are the same; the former are established in the National Numbering Plan as 'Corporate Numbers', while the latter were specifically introduced in 2006 to give (emphasis added) 'public services and businesses a single number nationwide'<sup>4</sup>.

## Category 2 number ranges

### 084 and 087 number ranges

8. We agree with Ofcom's proposal to ban revenue sharing with calling parties to reduce the prevalence/effectiveness of 'cash for calls schemes' on these ranges. We agree that retention of revenue sharing with called parties can be helpful in certain circumstances, for example to allow micropayments.

## Category 3 number ranges

### 09 Premium rate numbers and 118 Directory enquiries

9. We agree with Ofcom that it would not be appropriate to change the language in the National Numbering Plan which permits revenue sharing for 09 and 118 number ranges. Many consumers value revenue sharing on these number ranges to allow them to pay for certain services via their phone bill.

### 07 mobile number ranges

10. We support Ofcom's suggestion that all forms of revenue sharing should be prohibited for calls on the 07 mobile range for two reasons:
  - (1) We do not believe that there are any legitimate use cases for revenue sharing for calls made using the 07 mobile number range, and the scope for misuse is substantial given high call volumes and the preference of certain users for 07 numbers over certain geographic/non-geographic ranges.
  - (2) Given Ofcom is explicitly banning all types of revenue sharing for Category 1 number ranges and curtailing revenue sharing for Category 2 number ranges, it is likely bad actors will seek to leverage ambiguity in wording relating to the

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<sup>4</sup> See Ofcom consultation [Telephone Numbering Safeguarding the future of numbers](#)

07 mobile range to continue to commit fraud, scam consumers, or artificially generate traffic. Any ambiguity in relevant rules, however, provides an opportunity – at least on a time-limited basis – for fraud to take place.

11. We note Ofcom's concern that introducing a prohibition on revenue sharing on 07 mobile number range might adversely impact legitimate use cases in SMS/MMS markets. It is not clear to us why language could not be introduced into the National Numbering Plan to specify that any revenue sharing prohibition is limited to voice calls on the 07 mobile range to make absolutely clear that SMS/MMS is not included. We note that the National Numbering Plan adopts such an approach in its treatment of certain 03 number ranges, where information on tariffing expressly deal with calls to that number range.
12. In any case, subject to proper consultation, we would in principle support Ofcom taking steps to introduce prohibitions on sending/calling party revenue share on all services offered using 07 mobile numbers, including SMS and MMS as well as voice services. We note that bad actors continue to seek opportunities to use revenue share to generate revenue from users of SMS services.

## 082 number range

13. We agree with Ofcom's proposal to remove this number range from the National Numbering Plan. We are not aware of any live use cases in the market for this number range.

## Annex 1

### Consultation response form

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

<b>Consultation title</b>	Future of telephone numbers: Further consultation on revenue sharing, including proposed modifications to the National Telephone Numbering Plan
<b>Full name</b>	
<b>07</b>	
<b>Representing (delete as appropriate)</b>	Organisation
<b>Organisation name</b>	BT Group plc
<b>Email address</b>	

### Confidentiality

We ask for your contact details along with your response so that we can engage with you on this consultation. For further information about how Ofcom handles your personal information and your corresponding rights, see [Ofcom's General Privacy Statement](#).



<b>Your details: We will keep your contact number and email address confidential. Is there anything else you want to keep confidential? Delete as appropriate.</b>	Nothing
<b>Your response: Please indicate how much of your response you want to keep confidential. Delete as appropriate.</b>	Highlighted in <b>blue</b>
<b>For confidential responses, can Ofcom publish a reference to the contents of your response?</b>	Yes

### Your response

<b>Question</b>	<b>Your response</b>
<b>Question 3.1</b> Do you agree with our proposals to prohibit direct and indirect revenue sharing with called parties (end-users) on the category 1 number ranges, including UK geographic numbers?	Confidential? N.  We agree with Ofcom's proposal.

<p>Please provide reasons for your view and any relevant evidence.</p>	
<p><b>Question 3.2</b> Do you agree with our proposals to prohibit direct and indirect revenue sharing with only calling parties on the category 2 number ranges, namely 084 and 087 numbers. Please provide reasons for your view and any relevant evidence.</p>	<p>Confidential? N</p> <p>We agree with Ofcom's proposal.</p>
<p><b>Question 3.3</b></p> <p>(a) Do you consider that there is a need to introduce revenue sharing rules for UK 07 mobile phone calls?</p> <p>(b) Do you have any view on the appropriateness or benefits of applying such rules also to UK 07 SMS/MMS text and media messages, including to remove a possible incentive for misuse or artificial generation of text message traffic?</p> <p>(c) Do you have any views on the impact of such a measure on legitimate SMS/MMS-based services?</p> <p>(d) Do you have any views on whether there would be an increased risk of revenue sharing on the 07 range in light of the other proposals set out in this consultation?</p> <p>Please provide reasons for your view and any relevant evidence.</p>	<p>Confidential? –N</p> <p>See paragraphs 10 – 12 above</p>
<p><b>Question 3.4</b> Do you agree with our proposed approach to implementation in giving six months after the publication of our final decision before our new rules come into force?</p> <p>Please provide reasons for your view and any relevant evidence.</p>	<p>Confidential? –N</p> <p>We agree with Ofcom's proposal</p>
<p><b>Question 4.1</b> Do you agree with our proposal to amend the Numbering Plan to remove the 082 number range?</p>	<p>Confidential? –N</p> <p>We agree with this proposal</p>




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



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