



Review of non geographic calls services

Call for Inputs

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Section 1

Review of non-geographic calls services

- 1.1 We are reviewing the rules governing non-geographic calls services delivered to consumers using telephone numbers beginning with 03, 070, 08, 09 and 118.
- 1.2 Under the Communications Act, Ofcom creates and defines these number ranges through our responsibility for the maintenance and development of the National Telephone Numbering Plan¹ and responsibilities with respect to telecommunication systems regulations and dispute resolution.
- 1.3 Using these telephone numbers, a wide range of services are offered to callers (consumers) and to public and private organisations who receive calls. Delivering these services involves a diverse set of participants², joined in complex commercial relationships that have been shaped by, amongst other things, regulation.
- 1.4 We want to consider whether and if so how regulation might need to be adapted or reduced, in the interests of consumers. We want any reform to enhance (or at least preserve) the features consumers value, and encourage new services for the benefit of consumers.
- 1.5 This 'Call for Inputs' asks for views, from all interested parties including consumers, about the main issues relating to non-geographic numbers before developing our detailed options and proposals. The responses we receive will help us identify the issues and frame our thinking and approach to addressing them. We, therefore, urge all respondents to be as full and frank as possible in responding to this call for inputs.
- 1.6 As well as calling for inputs, we are reviewing existing approaches (our own and others) and surveying consumers (callers) to understand how and why they value (or do not value) these services. We are also gathering information on the technical and financial structure of the markets via requests for information through our formal powers and targeted questions to stakeholders at different points in the value chain.
- 1.7 Once we have reviewed all the information and views, we plan to publish our analysis and our proposals, in the autumn.

Scope of this review

- 1.8 As shown in Table 1, the review will cover all non-geographic number ranges, with the exception of mobile numbers (071–075 and 077-079), corporate numbers (055) and radio paging numbers (076).

¹ The National Telephone Numbering Plan (or Numbering Plan) is the basic document setting out the rules that Ofcom applies in allocating telephone numbers in the UK. This includes where appropriate rules on the charges for these numbers (generally only applicable to BT). It can be found here <http://www.ofcom.org.uk/telecoms/loi/numbers/numplan030809.pdf>

² The market for non-geographic calls is made up of a range of participants, from businesses using non-geographic contact numbers, and companies offering services paid via a telephone bill, network service providers, call termination providers for certain numbers, and call transit provision, to access network providers and retail telephone companies.

- 1.9 Non-geographic numbers are used to offer a wide range of services, from pay-as-you-go dial-up internet access to financial services, road traffic advice and tele-voting on TV programmes.
- 1.10 As well as revenue paid to the callers' own network (the originating network), the money paid by callers for these services is frequently shared with the organisations that provide content or services and the operator terminating the call (i.e. the telephone operator hosting the service on behalf of the service provider). This has allowed, in effect, the telephone number and bill to be used as a way of paying for services (that is, a micro-payment system).
- 1.11 The rules vary between the different number ranges:
- 03 numbers were designed to be used by public sector bodies and not-for-profit organisations. The charges for calls to this range must be linked to the price of geographic calls, and revenue must not be shared between the terminating operator and a service provider;
 - 070 numbers have been designated as Personal Numbers, available for the use by Personal Numbering Services (PNS) (as defined in the National Telephone Numbering Plan) and revenue cannot be shared with the person using the personal number;
 - 'Freephone numbers' (0800 and 0808) are used to access public and private sector voice services such as sales lines and helplines. They are not always free on all networks;
 - 082 numbers support special services such as internet for schools;
 - 0843, 0844 and 0845 numbers are used to access a wide range of services, including pre- and post-sales enquiry lines, public sector services, transaction services and information services, as well as legacy pay-as-you-go dial-up internet services (predominantly using 0845 numbers);
 - 0870 and 0871 numbers are principally used to provide access to pre- and post-sales enquiry lines, some public sector services and services such as the international telephony services provided by third parties. Recent evidence also indicates that the 0871 range are now being used to support adult entertainment services;
 - premium rate (09) numbers are used mainly to access competitions, TV voting lines, scratchcards, adult entertainment services, chatlines and some post-sales services such as technical support. Most of these are regulated by PhonepayPlus; and
 - 118 numbers are used to provide directory enquiries services also regulated by PhonepayPlus.

Table 1 Ranges In scope

03	Public sector and not for profit organisations, calls at a geographic rate – applies to all Communications Providers, no revenue share
070	Personal Numbers, no revenue share
0800	Special services, free to customer, except where there is a PCA
082	Special services (Internet for schools)
0843/4	Special services, up to 5ppm/5ppc for BT customers
0845	Special services, charged at BT's local call price for BT customers
0870	Special services, charged at BT's national call price for BT customers
0871/2/3	Special services, up to 10 ppm/ppc for BT customers, PhonepayPlus regulation
090/1	Special services, Premium rate, 10ppm/ppc to £1.50 ppm/ppc for BT customers, PhonepayPlus regulation
098	Sexual entertainment services, up to £1.50 ppm/ppc for BT customers, PhonepayPlus regulation
118	Directory Enquiry services

PCA = Pre call announcement

ppm/ppc = price per minute/price per call

Questions

1.12 To help you in deciding what points you wish to make, we have suggested some questions below. We will consider all the views set out and information provided with responses, not only those focused on these questions.

Consumer experience

- Does today's market for non-geographic call services work well for consumers (callers)?
 - Are the services satisfactory in terms of value for money, quality and range of services?
 - Are consumers able to access the services with confidence and with sufficient understanding of what is being provided and what are the terms of the sale?
- If not:
- What aspects of it do not work well?
 - What are the observed outcomes or characteristics of the services that you think demonstrate that the market is not working well?
 - What do you consider to be the cause of those negative impacts?
 - Are there particular concerns with respect to specific number ranges?
 - What changes would you suggest? How would these address the issues you have raised?
 - Is there a requirement for changes to the National Telephone Numbering Plan in terms of changes to the definition or controls over the number ranges?

- Are the ways the services are currently provided and charged for equitable, in that do they treat different types of consumers fairly or are some types of consumers disadvantaged in terms of access to services or the costs of services?

Service provider experience

- Does the current regime for non-geographic calls services promote a competitive market for the development and promotion of services? If not:
- What are the strengths and weaknesses in the system? It would be helpful if you could provide examples.
- What are the incentive/disincentives for competition, innovation and growth?
- Are there particular concerns with respect to specific number ranges?
- What changes would you suggest and how would this address the issues you have raised?
- If regulatory intervention is required, what form should it take?
- What principles, if any, should govern the division of revenue between the terminating networks and service providers?

Network provider experience

- What principles should govern the division of retail revenue between the originating networks and terminating networks/service providers?
- To what extent can the arrangements for this revenue division be left to commercial negotiation?
- If regulatory intervention is required, what form should it take?

Annex 1

Responding to this Call for Inputs

How to respond

- A1.1 We invite written views and comments on the issues raised in this document. Please respond **by 5pm on 28 May 2010**.
- A1.2 We prefer to receive responses using the online web form at <http://www.ofcom.org.uk/consult/condocs/ngnservices/howtorespond/form> , as this helps us to process the responses quickly and efficiently. We would also be grateful if you could assist us by completing a response cover sheet (available on the website), to indicate whether or not there are confidentiality issues. This response coversheet is incorporated into the online web form questionnaire.
- A1.3 For larger consultation responses - particularly those with supporting charts, tables or other data - please email NGCSReview@ofcom.org.uk attaching your response in Microsoft Word format, together with a consultation response coversheet.
- A1.4 Responses may alternatively be posted or faxed to the address below, marked with Call for Inputs - Review of Non Geographic Call Services.
- Serafino Abate
Floor 4
Competition Group
Riverside House
2A Southwark Bridge Road
London SE1 9HA
Fax: 020 7981 3333
- A1.5 We do not need a hard copy in addition to an electronic version. We will acknowledge receipt of responses if they are submitted using the online web form but not otherwise.
- A1.6 If you want to discuss the issues and questions raised in this consultation, or need advice on the appropriate form of response, please contact the project manager, Serafino Abate on 020 7783 4559.

Confidentiality

- A1.7 We urge you to be as full and frank as possible in your response as the input we receive will be key to helping us identify the issues and frame our thinking and approach to addressing them. We believe it is important for everyone interested in an issue to see the views expressed by consultation respondents it is also important for Ofcom to be able to set out, to the fullest extent possible, all the evidence that underlies its thinking and on which it relies in putting forward any proposals. We will therefore usually publish all responses on our website, www.ofcom.org.uk.
- A1.8 If someone asks us to keep part or all of a response confidential, we will treat this request seriously and will try to respect this. But sometimes we will need to publish all responses, including those that are marked as confidential, in order to meet legal obligations. If you think your response should be kept confidential, can you please

specify what part or whether all of your response should be kept confidential, and specify why. Please also place such parts in a separate annex.

- A1.9 Please also note that copyright and all other intellectual property in responses will be assumed to be licensed to Ofcom to use. Ofcom's approach on intellectual property rights is explained further on its website at <http://www.ofcom.org.uk/about/accoun/disclaimer/>