



# Raising confidence in telephone numbers

Including new 'UK-wide' 03 numbers and a  
consultation to amend General Condition 17

Statement &  
consultation

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## Section 1

# Summary

### The purpose of this document

- 1.1 This document implements a number of Ofcom's decisions on how telephone numbers will be managed in the future. Having set out our general strategic framework in July 2006<sup>1</sup>, this document confirms some specific steps that we are taking now, and makes one further proposal.
- 1.2 Ofcom is responsible for managing telephone numbers effectively. This includes making sure that enough numbers continue to be available to consumers, so that they can benefit from the services which numbers support. We must also ensure continued trust in the meaning provided by numbers, so that consumers can use them with confidence.
- 1.3 The decisions in this document address those two objectives, by taking action to:
  - Raise consumer confidence, which is threatened by confusion about the prices and services associated with certain numbers, including services beginning with 08 numbers. Consumer confidence is also threatened by the misuse by some communications providers ('CPs') of certain types of numbers, such as 'personal numbers' beginning '070', which tends to bring all services offered on such numbers into disrepute; and
  - Avoid potential shortages for some non-geographic numbers, such as certain 08 numbers, where the usual response - opening new number ranges - could add to consumer confusion. We are also taking steps to ensure continued availability of geographic numbers, supporting the entry of new market competitors.
- 1.4 Ofcom does not intend to change the geographic telephone numbers traditionally used by most households and businesses. We do not think that this is needed, mainly because of changes we are making to how we manage the allocation and use of telephone numbers.
- 1.5 We have, however, decided to provide a new range of numbers - beginning with '03' – which we think many customers will trust more than many current 08 numbers. Consumers will pay the same amount for calls to 03 numbers as they would for calling a geographic number (beginning with '01' or '02'). We think that many businesses, public services and voluntary services will want to enable their customers to call them on 03 numbers rather than 08 numbers.
- 1.6 We are also making changes to increase consumer protection from abuses on some existing 070 personal numbering services. For these numbers - which are often confused with mobile numbers - we are making it a requirement that customers get a free announcement about the cost of a call before the call begins, in any case where a call will cost more than 20p (per minute or per call).
- 1.7 In addition, we are finalising some detailed measures to avoid number changes, by changing how we allocate geographic numbers (numbers starting with 01 or 02) so

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<sup>1</sup> Telephone Numbering – Safeguarding the future of numbers  
<http://www.ofcom.org.uk/consult/condocs/numberingreview/statement/statement.pdf>

they can be used more efficiently by the growing number of CPs that want these numbers.

- 1.8 These steps are part of a long-term plan for telephone numbering which we set out in our July 2006 document ('the July document'). That plan was based on a set of strategic principles for numbering policy decisions, and it drew on a significant base of evidence and consultation responses. The resulting set of measures, some of which this document covers, are designed to deliver a plan for UK telephone numbers which reflects consumers' concerns about the continuity of their own number, their desire to dial other numbers with confidence, and the need to make enough numbers available for current and future services.

## Policy decisions

### **We are allocating new 03 numbers to increase certainty, trust and confidence in the numbers that consumers use to call public services, voluntary organisations and companies who want a national presence**

- 1.9 The original purpose of those non-geographic numbers starting with 08 (and '09') was as a single point of contact for those businesses and public services which have a national presence and identity. These numbers also allow businesses and public sector bodies that make services available to the public to make charges using a micro-payment mechanism known as 'revenue-share', whereby they take a share of the charges paid by the caller; this capability is widely used.
- 1.10 However, consumers have a poor level of confidence in many 08 numbers. Many people significantly over-estimate charges for these numbers, so are deterred from calling them. Many are not aware of the nature of revenue-share, and a number of 'scams' have emerged which exploit that system. Negative views on 08 numbers are exacerbated by their use for some services (both public and private) that customers view as essential. Many calls to chargeable 08 numbers also relate to services to which they are 'locked in'.
- 1.11 As a result of these factors there has been a substantial erosion of consumer trust in 08 numbers. Ofcom has already taken some steps to restore this trust in its Number Translation Services Review ('the NTS Review')<sup>2</sup>.
- 1.12 As well as consumer confidence issues, most of the 08 ranges that are currently in use are projected to run out in the next few years, due to strong growth in underlying demand. There are enough spare 08 numbers for these services, but we want to take this opportunity to make more numbers available in a way that benefits consumers.
- 1.13 We therefore are creating a new type of number – starting with 03 – for those organisations who require a national presence, but who do not wish to make an additional charge to consumers for contacting them. We expect the new range to become trusted by consumers as covering clearly-understood services and price ranges. The new range will meet the need for consumer certainty and confidence in making calls, mainly due to the charging features of 03 numbers:
- consumers will have a clear understanding of the price that they are paying for a call, mainly as call tariffs and call discounts will be required to be the same as if

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<sup>2</sup> NTS – a Way Forward

[http://www.ofcom.org.uk/consult/condocs/nts\\_forward/statement/statement.pdf](http://www.ofcom.org.uk/consult/condocs/nts_forward/statement/statement.pdf)

the consumer was calling a geographic (01 or 02) number. This will apply to all call minutes, including ones that are part of the customer's inclusive minutes; and

- the use of revenue-sharing will be forbidden on this new range. Consumers calling these numbers should be confident that they will be paying only for the call, and not for any additional services provided by the organisation being called.
- 1.14 Ofcom intends that these requirements will apply to calls from all CPs on all lines – whether a BT line, any other fixed line, a mobile or a payphone. We are conducting a short further consultation (see paragraph 1.30 to 1.31) with a view to implementing this requirement. Subject to the outcome of this consultation, we expect the requirement to be in place before customers are able to call 03 numbers.
- 1.15 The 03 range will thereby address the key customer concerns about many 08 numbers, will align with consumer expectations, and so should increase their willingness to make calls.
- 1.16 In addition, 03 numbers will retain service provider ('SP') benefits that are available on 08 numbers, such as managing call volumes in a flexible way and collecting useful call data. We expect 03 numbers to be attractive to a variety of SPs, including public services. The Varney Review on the delivery of public services, published as part of the Chancellor's pre-budget report in December 2006, indicated the likely widespread adoption of 03 numbers by public bodies<sup>3</sup>.
- 1.17 To promote early adoption of 03 numbers, we are making 03 numbers available so that all SPs will have a good choice of different 03 numbers:
- memorable numbers, such as ones starting with '0300' and '0333';
  - a specific part of the 03 range - all numbers beginning with '030' - for use only by public bodies and not-for-profit services; and
  - numbers that are reserved for SPs on existing 08 numbers, so that they can move across to 03 numbers by changing only the '8' digit in their number to a '3'.
- 1.18 Ofcom will be allocating the first of these numbers to CPs during March 2007. The first 03 applications can be accepted in three weeks' time, from 6 March 2007. Some of these new number blocks are likely to be very popular because memorable numbers are involved. Ofcom will therefore be allocating the first of those memorable numbers through a competitive process, before moving to the standard first come, first served system. Ofcom has today published full details of that allocation process<sup>4</sup>.
- 1.19 Ofcom recommends that SPs who are interested in acquiring a 03 number but have not yet been in contact with CPs should do so without delay. SPs should also approach CPs about the commercial issues involved in delivering services on 03 numbers.
- 1.20 Creating 03 does not mean that 08 numbers will disappear. Services requiring small micro-payments will stay on the 08 range, with new number allocations as required by demand. But creating the new 03 range does avoid the need for more types of 08 numbers, so we can simplify the meaning of 08 numbers in future to allow consumers to better understand the price and service relating to each call. Figure 1.1 shows our

<sup>3</sup> See [http://www.hm-treasury.gov.uk/pre\\_budget\\_report/prebud\\_pbr06/other\\_docs/prebud\\_pbr06\\_varney.cfm](http://www.hm-treasury.gov.uk/pre_budget_report/prebud_pbr06/other_docs/prebud_pbr06_varney.cfm)

<sup>4</sup> See <http://www.ofcom.org.uk/consult/condocs/numbering03/03allocation/>

long-term plan, with only three broad categories of 08 numbers, each with ample capacity to retain their meanings.

**Figure 1.1 The future structure of the 03 and 08 ranges**

Number range	Tariff/Service
03	Calls at the same rate as calls to geographic numbers, no revenue-sharing permitted
080	Freephone
084	Calls up to 5ppm, revenue-sharing permitted <sup>5</sup>
087	Calls up to 10ppm, revenue-sharing permitted

- 1.21 Some 08 numbers are used to provide services for which the historic link of call charges to geographic rates - 0845 for 'local rate' and 0870 for 'national rate' – has broken down. The NTS Review decided to repair and extend the link between 0870 calls and national calls to geographic numbers, for calls from all originating communications providers ('OCPs'). That Review also said that we will consider in future doing the same for 0845 numbers. This remains Ofcom's position. However, Ofcom expects that in the longer term the growth in non-revenue-sharing services can be provided on the new 03 range. SPs currently using 0845 and 0870 numbers to provide services may of course decide to migrate to 03 in due course.
- 1.22 We are leaving current 0800 Freephone service numbers (and 0808 free numbers) unchanged. This is the one type of 08 number that is reasonably well-recognised and trusted by consumers. The same number generally is used for Freephone services internationally, which may contribute to high consumer awareness. And there is no current danger of these numbers being exhausted.

### **We are increasing consumer protection for 070 personal numbers**

- 1.23 Personal Numbering Services are provided on one specific part of the 07 range (070). Ofcom has several concerns about these services. There is very limited consumer awareness of 'Personal Numbers' as a concept, and legitimate personal numbering services have had relatively little market impact. At the same time there have been a number of cases where providers have run 'scams' by exploiting the poor awareness of this range and the prices charged. This is despite previous attempts to restore trust in personal numbers<sup>6</sup>.
- 1.24 Ofcom is therefore now introducing a requirement that will provide a degree of protection to consumers calling personal numbers. If a call to a 070 number costs more than 20p (per minute or per call), customers will receive a free-to-caller pre-call announcement about the charge involved. Ofcom is conducting a short further consultation (see paragraph 1.30 to 1.31) with a view to making this apply to calls from all CPs on all lines – whether from a BT line, any other fixed line, a mobile or a payphone. Subject to the outcome of this consultation, and given the time needed to

<sup>5</sup> The specific tariff levels for 08 numbers may change when Ofcom reviews the Plan later in 2007, but the maximum prices for 087 numbers would still be above those for 084 numbers

<sup>6</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/statement/statement.pdf>, Section 6

implement this requirement, we expect this obligation to be met by all CPs from Autumn 2007. Whilst the exact wording of the pre-announcement may differ between CPs, we would expect all customers to be better protected by this measure.

- 1.25 We have already decided to end the scope for confusion with mobile numbers in the longer term, by ending the use of 070 for personal numbers. The '06' ranges of numbers has instead been earmarked to meet future demand for such numbers. A pre-call announcement system would also be expected to apply to 06 numbers.

### **We are taking steps now to avoid future changes to consumers' geographic numbers**

- 1.26 Geographic numbers are widely recognised and trusted by consumers, most of whom still highly value the ability to keep their geographic numbers. But geographic numbers continue to be in high demand due to a growing number of CPs.
- 1.27 We are implementing measures now so we can avoid number changes whilst continuing to make numbers available to support competition. We will do this mainly by allocating geographic numbers to CPs in smaller-sized blocks (1,000 rather than 10,000 numbers) in any geographic areas where the current numbers would otherwise run out within five years. This is a lot tighter than such 'conservation measures' have been in the past. The July document explained that tighter conservation measures would substantially reduce the risk of number changes in the short to medium term, before anticipated technological changes should make it easier to allocate telephone numbers in whatever block size is most efficient from a numbering management perspective<sup>7</sup>.
- 1.28 The July document also set out our contingency plans - which were well supported by stakeholders - to make further numbers available as necessary in specific areas. This might be needed for unforeseen reasons such as substantial localised new housing development. Our approach in such situations, which should be very limited, would be to minimise consumer disruption through the use of 'overlay codes'. These are second area codes to cover a geographic area that has run out of numbers. No-one would actually have to change their current code or phone number as a result of an overlay code being implemented in their area.

### **Next steps**

- 1.29 Ofcom's decisions in this document involve changes to the National Telephone Numbering Plan ('the Plan'), as well as the creation of an application form for 03 numbers. These decisions are explained in detail in Annexes 2 to 4.

### **Consultation on General Condition 17**

- 1.30 In addition, in this document Ofcom is consulting on an amendment to General Condition 17 ('GC 17'), so that its decisions on 03 numbers and 070 numbers are enforceable on all relevant CPs. This is intended to ensure that customers of all CPs will benefit from the decisions that Ofcom has taken to protect and provide confidence to consumers when they dial these numbers.
- 1.31 The consultation on amending GC17 will run until **5pm on 14 March 2007**. The shorter-than-normal consultation period allows for the obligation to be introduced

<sup>7</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/statement/statement.pdf>, Section 4



(subject to the outcome of the consultation) before 03 numbers can be dialled by consumers.

### **Other measures**

- 1.32 As described, the measures in this document are part of a long-term plan for telephone numbers. Several other strands of work are to follow in implementing that plan. These include a consumer protection test for number allocation, to enable us to deny allocations of numbers to providers that persistently and/or seriously abuse consumers. We will also review the detailed service and tariff descriptions for each type of number (including 08 and 09 numbers). Ofcom expects to consult later in 2007 on detailed proposals for these issues. Ofcom will also continue to monitor the availability of geographic numbers and take appropriate steps to minimise disruption to consumers and businesses.

## Section 2

# Introduction and background

## The purpose and structure of this document

- 2.1 Telephone numbers are a critical national resource, for consumers, businesses and the delivery of key public services. Ofcom has the responsibility for deciding how this resource can be used, in a way that maximises benefits to citizens and consumers. In the past, the rapid growth in communications services has sometimes caused disruptive changes to how numbers are managed, and Ofcom wanted to avoid this in the future. So in 2006 we consulted on a strategic framework for future decisions on telephone numbering policy, and made specific proposals to address current concerns about the availability of, and trust in, different types of telephone number.
- 2.2 This document is part of the process to implement some key elements of that strategic framework. It has two functions:
- To confirm decisions on some issues on which we consulted (under statutory requirements) last year. On 070 personal numbers and the forthcoming ‘UK-wide’ 03 numbers we confirm how those numbers are defined in the Plan and therefore how those numbers can be used. We also introduce the application form for 03 numbers. On geographic numbers, we confirm changes to the definitions of Standard and Conservation Area and their application to each geographic code area; and
  - To consult on amending GC17 - a sector-specific rule applying to all relevant CPs – for calls to 03 and 070 numbers. This proposed change would mean that OCPs who have retail contracts with customers will have direct responsibility for ensuring that calls to 03 and 070 numbers comply with the Plan (including any requirements on the prices charged for such calls). This is the only part of this document that is subject to further consultation.
- 2.3 Other parts of the strategic numbering review are being implemented separately. For example, Ofcom is currently considering the details of a consumer protection test for telephone numbers. We have already made available more 07 numbers for mobile services<sup>8</sup> as proposed last year. Detailed background on these changes, including related consumer research, was set out in the July document.
- 2.4 The other Sections of this document are structured as follows:
- i) Section 3 explains Ofcom’s decisions on 03 numbers, taking into account responses to the July document;
  - ii) Section 4 does the same for Ofcom’s decisions on 070 personal numbers;
  - iii) Section 5 explains the limited changes being made to geographic number management; and
  - iv) Section 6 summarises the main decisions and proposals in this document, sets out the practical steps involved in implementing our decisions, and gives an update on other work arising from Ofcom’s strategic review of numbering.

<sup>8</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/statement/mobilenumbers/>

- 2.5 The annexes mostly concern the detailed legal aspects of our policy decisions and proposals:
- i) Annex 1 summarises the Impact Assessments for key policy decisions;
  - ii) Annex 2 sets out the legal basis for the changes Ofcom is making and the proposed amendment to GC17;
  - iii) Annexes 3-4 comprise the statutory changes to the Plan and numbering administration processes;
  - iv) Annexes 5-9 concern the consultation on amending GC17, in which Ofcom seeks responses by **5pm on 14 March 2007**;
  - v) Annex 10 lists the respondents to the July document; and
  - vi) Annex 11 is a glossary of technical terms.

### **The consultation process**

- 2.6 There were 17 responses to the July document, mostly from CPs. The responses are published in full on our website, unless respondents have expressed a preference to keep their comments confidential. You can view the responses at <http://www.ofcom.org.uk/consult/condocs/numberingreview/responses/>.
- 2.7 The points made in the responses are summarised and considered in detail in Sections 3-5.

## Section 3

# Ensuring confidence in non-geographic numbers

## Opening the 03 number range

- 3.1 In the July document we confirmed that we would allocate a new non-geographic range of numbers, beginning with 03 (to be known as ‘UK-wide’ numbers), as an alternative option for consumers to call those public services and businesses who want a national presence and identity. Compared with 08 non-geographic numbers, calls to 03 numbers would have a distinctive combination of charging features:
- call tariffs would be required to be the same as if the consumer was calling a geographic (01 or 02) number from the same OCP, up to national rate. This would include treating 03 numbers the same in terms of being part of any inclusive minutes and being eligible for the same call discounts; and
  - they would not involve end user revenue-sharing - the micro-payment mechanism whereby the SP being called can take a share of the charges paid by the caller.
- 3.2 At the same time, 03 numbers would be able to provide SPs with the same kind of functionality that is currently available by using non-geographic 08 numbers. For example, call volumes can be managed in a flexible way between different locations and useful call statistics can be collected for operational and marketing purposes.
- 3.3 We stated in the July document that these features should help the 03 range to become trusted by consumers as covering clearly-understood services and price ranges. We also expected this to be a number range that public services in particular would feel appropriate to use in preference to certain 08 numbers. Indeed, the Varney Report on transforming public service delivery, published as part of the Chancellor’s Pre-Budget Report on 6 December 2006, warmly welcomed the 03 range:
- “The launch by Ofcom of the new 0300 number range in 2007 presents government with a unique opportunity to implement a single number range to simplify access to government services. Reducing the number of published numbers and implementing a clear numbering and tariffing strategy across government would make access to public sector services less confusing to citizens and businesses and would be more cost effective for the taxpayer.....”<sup>9</sup>
- 3.4 The opening of the 03 range is a key part of an overall strategy to raise trust and confidence in non-geographic numbers whilst, at the same time, supplying the numbers that are in growing demand from CPs. That strategy, confirmed in the July document, also sets out plans to:
- make no change to Freephone numbers, which will continue to be made available on numbers beginning with ‘080’;

<sup>9</sup> See paragraph 7.27 at [http://www.hm-treasury.gov.uk/pre\\_budget\\_report/prebud\\_pbr06/other\\_docs/prebud\\_pbr06\\_varney.cfm](http://www.hm-treasury.gov.uk/pre_budget_report/prebud_pbr06/other_docs/prebud_pbr06_varney.cfm)

- make available new revenue-sharing numbers in future within two broad categories, beginning with '084' and '087'. The maximum charge for calls to 087 numbers will be above that for calls to 084 numbers;
- simplify the public description of 09 services, using a similar approach to that for 08 numbers, in that we will identify services and/or maximum tariffs using broad two digit number categories (eg '093', '094'). This has begun with the establishment of '098' for sexual entertainment services<sup>10</sup>, and Ofcom plans to make further proposals for other 09 categories later in 2007 in its review of Plan service definitions<sup>11</sup>; and
- review the Plan tariff descriptions so that, as far as possible and where appropriate, common descriptions for each number range apply to calls from all OCPs. Proposals on this for numbers other than 03 and 070 are also anticipated in 2007 in the service definitions review.

3.5 Our strategy for the 03, 08 and 09 ranges should lead to the range of non-geographic services being structured as in Figure 3.1 in the long term. Ofcom noted in the July document how the setting out of its strategic plan for 08 services and the new 03 range gave SPs the necessary information to decide how to react to the forthcoming changes to 08 numbers as set out by the NTS Review.

**Figure 3.1 The future structure of the 03, 08 and 09 ranges**

Number range	Tariff/Service
<b>03</b>	Calls at the same rate as calls to geographic numbers, no revenue-sharing permitted
<b>080</b>	Freephone
<b>084</b>	Calls up to 5ppm, revenue-sharing permitted <sup>12</sup>
<b>087</b>	Calls up to 10ppm, revenue-sharing permitted <sup>13</sup>
<b>090-097</b>	Distinct tariffs and/or services possible for each band of 090, 091, 092 etc (Ofcom to consult on detail)
<b>098</b>	Sexual Entertainment Services

### July 2006 proposals for 03 number allocation

3.6 Given the importance of 03 to Ofcom's numbering strategy, Ofcom considers it worthwhile to promote the early take-up of 03 numbers. Therefore we proposed to initially allocate some of the more memorable 03 numbers:

<sup>10</sup> See [http://www.ofcom.org.uk/consult/condocs/supply\\_numbers/statement/sesv3.pdf](http://www.ofcom.org.uk/consult/condocs/supply_numbers/statement/sesv3.pdf)

<sup>11</sup> Ofcom will consider the case for pre-call announcements on 08 and 09 calls within this review

<sup>12</sup> These current designations for calls to 084 and 087 numbers from BT lines may change once common tariff descriptions are set

<sup>13</sup> This headline description will cover a growing share of 087 services but, as the NTS Review set out, the approach to 0870 numbers differs, notably as revenue-sharing will not have regulatory support

- 0300 numbers to be available for use by public sector and not-for-profit bodies. We stated that we would give guidance on the bodies that are eligible to use such numbers in a document published on our website (that would refer out to various lists maintained by other public bodies and charity regulators<sup>14</sup>), to assist CPs in deciding to whom these numbers should be allocated. The July document specifically invited comments on appropriate categories of end user to include in our guidance; and
  - 0303 numbers for use by any subscriber. CPs would decide to which of their customers these numbers should be made available after they are allocated.
- 3.7 We also made provision in our proposed changes to the Plan for easy migration from 084X and 087X numbers, by deciding to reserve 034X and 037X blocks for migration from analogous 08 numbers. This responded to the desire expressed by some stakeholders to change from 08 to 03 numbers in a way that minimises the degree of change to current numbers. A condition of allocating these 03 blocks would be that individual 03 numbers would need to be held open only for the specific SPs using the corresponding 08 numbers, so that they could migrate their numbers at a time that best suits them individually.
- 3.8 We stated that the initial allocation process for 03 numbers should not create competitive advantages for particular CPs. Therefore we suggested that only one block each of 0300 and 0303 numbers would initially be allocated to each CP applying for those numbers. We stated that we would issue guidance on the detailed applications process for these numbers.

### Analysis of responses to consultation

- 3.9 There was a range of responses to Ofcom's proposals for 03 numbers. Most of the responses did not comment directly on the consultation questions that Ofcom had asked - on the detailed changes to the Plan and application forms, and eligibility for 0300 numbers - but on broader issues about 03. In the paragraphs below Ofcom describes and responds to the main issues raised by respondents.

### Citizen-consumer interests and policy objectives

- 3.10 In the July document Ofcom set out its views about the need to strengthen consumer confidence in calling non-geographic numbers, including addressing the associated weaknesses in the transparency of services and charges. We also set out our view that callers' confidence in these numbers would worsen if Ofcom were to meet the rising demand for these numbers through its existing approach. Our objective is therefore to make sufficient numbers available for these services in a way that gives consumers the confidence to make these calls, by providing clear and enduring meanings for the different number ranges used to deliver these services.
- 3.11 As stated in the July document, not all NTS SPs would change their numbers rapidly. To require this could increase migration costs, which may well be passed on indirectly to consumers, and so there is a balance to be struck when considering how soon current services should fit in with any new long-term numbering structure. But within three to five years, Ofcom would expect the vast majority of SPs to have adjusted to the new numbering structure, according to their particular customers' expectations.

<sup>14</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/statement/0300guidance/>

## Comments on the key characteristics of the 03 range

- 3.12 Ofcom's July 2006 proposals for the 03 range covered three elements: the technical definition, the prohibition of end user revenue-sharing and the requirements to price calls at the same level as geographic (01 and 02) numbers. Ofcom considered that its proposals on these elements were an important and necessary combination of positive features from other number ranges: providing the confidence that consumers currently have in geographic numbers, whilst retaining the flexibility available to SPs to compete (for consumers' benefit) using non-geographic functionality.
- 3.13 Of the three elements of Ofcom's 03 proposals, most consultation comments were made on the pricing link to geographic numbers; these are addressed from paragraph 3.18. There was, by contrast, only one reference to the prohibition of revenue-sharing on 03 numbers, which was from Vodafone, in support of a dedicated non-revenue-sharing non-geographic range. In response to the February consultation document there was strong consumer support for this aspect of Ofcom's 03 proposals.
- 3.14 There were more comments on the technical definition of 03. One confidential respondent proposed that the service definition of UK-wide Numbers - 03 numbers - should be amended to remove the proposed requirement for geographic number translation and the proposed prohibition of use for mobile services. This was based on the respondent's understanding that calls could be originated as well as terminated using 03 numbers. Ofcom agrees with this suggestion, which Ofcom has since raised informally with a number of stakeholders and has therefore amended the service definition by removing the last two elements of the UK-wide Numbers definition that were set out in the July document. Removing these elements does not materially impact on the technical features of 03 calls and in the same way as calls can be made now from 08 numbers, there is no reason why 03 numbers cannot be used similarly. Ultimately Ofcom's aim is to provide 03 as a range which offers consumers the same pricing arrangements as geographic numbers but retains the valued service-related features of non-geographic numbers. Ofcom has therefore decided to remove these additional parts of the service description for 03 calls from the Plan.
- 3.15 A confidential response also proposed that, in the definition of UK-wide Numbers, specific prohibition of geographic significance within the range-holder's numbering plans (if required) should explicitly exclude the 01 and 02 ranges or confine the requirement to 03. Ofcom agrees with this and has changed the definition accordingly.
- 3.16 Cellbyte asked whether 0300 numbers would be able to translate to non-geographic numbers. To confirm, there will be no restriction on such translation.
- 3.17 The revised description for UK-wide Numbers is shown at Part 1d of Annex 3. Ofcom does not consider these to be material changes to its proposed amendments to the Plan, but in practice these changes should avoid being over-specific about the appropriate use of 03 numbers.

## Assessment of policy on 03 pricing

- 3.18 A common issue arising in consultation responses was our proposal that 03 prices should be the same as prices for geographic (01 and 02) numbers. There was some agreement with the idea of raising consumers' understanding of call tariffs, but some OCPs disagreed with how Ofcom sought to do that. The Mobile Broadband Group, T-

Mobile and Vodafone between them expressed concerns about linking the price of 03 calls to the price of 01 and 02 calls, about requiring 03 calls to be in bundles and about the 03 termination arrangements. These respondents also argued that Ofcom was proposing a retail price control on CPs that do not have Significant Market Power ('SMP') in call origination. Vodafone suggested that it may be more proportionate to allow prices to exceed geographic rates where an in-call announcement is given (but thought this option would need further analysis). Some respondents asked what specific legal powers Ofcom was using to introduce this regulation.

- 3.19 Given the nature of these comments, Ofcom considers it worthwhile to review the arguments for its July 2006 position in the light of those comments. It is useful to first review the context for Ofcom's 03 proposals.
- 3.20 The July document set out our plan to address current problems with consumer confidence in calling 08 non-geographic numbers and the potential for further deterioration in that position. Ofcom has created more groups of 08 numbers - each with different tariff arrangements - to meet geographic number demand, but more number capacity is needed in the near future. The tariffs for 08 calls have moved away from geographic pricing over time, and confidence in 08 numbers is also harmed by both revenue-sharing and the use of 08 numbers by key services.
- 3.21 In our consumer research, over two thirds of those surveyed said that they would be at least 'unlikely' to call the various types of chargeable 08 numbers. There was broad understanding of prices charged for geographic numbers, but much less understanding of 08 prices and the differences between various 08 numbers. The 08 chargeable numbers were estimated to cost from 34-37ppm<sup>15</sup>. This over-estimates prices considerably (maximum prices in the Plan for 0844 and 0871 calls are 5ppm and 10ppm respectively) and suggests that consumers do not pick up the distinctions between current detailed 08 sub-ranges.
- 3.22 Ofcom has estimated the consumer welfare loss from not making 08 calls due to price misperceptions at over £300m p.a.<sup>16</sup> Intangible consumer concerns with 08 numbers are also high, as evidenced by the overwhelming message from consumers in response to our February 2006 numbering consultation document ('the February consultation document'), in which pricing above geographic rates was the key concern expressed<sup>17</sup>. Hundreds of consumer responses in the NTS Review also opposed current pricing arrangements for 08 numbering<sup>18</sup>.
- 3.23 The July document aimed to simplify the Plan by providing more memorable, general messages through a Plan that can be sustainable in the longer term. It proposed that clear, distinct number ranges be delivered by creating a new 03 number range, with some quite different features to current 08 numbers. Consumers would then face just two very broad number types, for calls from any line:
- 03 numbers priced at geographic rates (and without revenue-sharing); and
  - 08 numbers in a simpler long-term structure (including revenue-sharing).
- 3.24 Turning now to the analysis of Ofcom's July 2006 proposal on 03 pricing, the first and key benefit of this approach (with no ability to charge more if a pre-call

<sup>15</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/research/>

<sup>16</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/numbering.pdf>, paragraph A2.15

<sup>17</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/statement/responses/>

<sup>18</sup> See [http://www.ofcom.org.uk/consult/condocs/nts\\_forward/statement/statement.pdf](http://www.ofcom.org.uk/consult/condocs/nts_forward/statement/statement.pdf) (Annex 1)



announcement is given) is that customers would have certainty about, and therefore have much more confidence in, the price that they would pay to make a call. This benefit of Ofcom's model for 03 pricing was given strong consumer support in consultation responses, with many responses supporting the idea of the 03 range only with the caveat that prices were the same as geographic ones (including for any 'bundled' minutes).

- 3.25 Ofcom's consumer research<sup>19</sup> shows that consumers appreciate the giving of broad pricing messages about numbers, as provided for by the Plan. They also trust geographic numbers reasonably well (even though specific pricing for geographic numbers is not a feature of the Plan), and many more consumers accurately estimate the costs of geographic calls relative to chargeable 08 calls. In addition, other research suggests that a large proportion of consumers (42 per cent) would find routine pre-call announcements annoying<sup>20</sup>.
- 3.26 The second benefit flows from the first, in that certainty and clear consumer confidence in the price paid to call 03 numbers would preserve the incentive for SPs to move to 03 numbers, thereby delivering benefits to consumers through a successful 03 number range that is clearly distinct from 08 numbers. The 03 range will not allow SPs to gain revenue share, so the incentive to move to 03 would instead be more effective delivery of their services. Ofcom's discussions with representatives of both public and voluntary sector SPs emphasise that, to a very significant degree, SPs would not see a value in migrating to 03 if the distinction with 08 pricing were diluted by allowing for 03 pre-call announcements and price variations that removed certainty and led to price complexity and confusion.
- 3.27 By preserving this migration incentive Ofcom would deliver a number range with qualities that respond to the needs of SPs, including central government and other public and not-for-profit services. The Varney Review on behalf of the UK government (see paragraph 3.2) has put significant weight behind the widespread use of the 03 number range by public services, with the assumption that Ofcom's previous 03 pricing proposal is maintained.
- 3.28 Many organisations (including not-for-profit bodies whose functions are often closely associated with equity issues) would therefore be deterred from migration by the prospect of different OCPs taking different approaches to whether their 03 prices should match 01 and 02 prices. Whilst SPs could, in theory, enable the public to call them on different types of numbers (eg 03 or 0800) according to the OCP involved, this is a significantly worse option and a formidable marketing challenge.
- 3.29 The third benefit of creating 03 without a pre-call announcement facility is that it is a sustainable solution for creating certainty and raising consumer confidence. By establishing the new number range, Ofcom can create broad categories of 03 and 08 number with enough numbering capacity to preserve those meanings for very many years, thereby allowing the pricing associations that consumers attach to these numbers to grow over time. This will further encourage SP migration as the 03-08 differentiation grows.
- 3.30 Ofcom agrees with Vodafone's point that it is best not to be over-precise in the messages given by the Plan. As Ofcom needs to create more non-geographic numbers, it is preferable to build long-term consumer distinctions at a broad level. Current 08 number distinctions have not delivered overall consumer confidence and

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<sup>19</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/research/>

<sup>20</sup> See [http://www.ofcom.org.uk/consult/condocs/nts\\_forward/ntsrsc.pdf](http://www.ofcom.org.uk/consult/condocs/nts_forward/ntsrsc.pdf)

understanding, and the situation would be likely to become worse if more three digit number ranges are introduced. Certainty and confidence are better delivered through more top-level indicators and high-level differences between number types. Ofcom's research with focus groups before the July document showed the simple model of general 03 and 08 number types to be the clearly preferred approach<sup>21</sup>.

- 3.31 Ofcom's July 2006 proposal therefore addresses the problems identified in a sustainable way. It also avoids the counterfactual position of opening 03 (a ninth of UK numbers) in a way that has a disposition not to work as it would replicate existing problems, fail to create certainty and have a very limited impact on consumer confidence. There is potential, indeed, to reproduce the confusion with regard to 08 numbers on 03 were pre-announcements to be possible on 03 calls. An alternative approach of not opening 03 and instead re-organising services on 08 numbers could involve mass migration of services (creating considerable costs for SPs and those using the services) and still leave a variety of different services on the same 08 range, causing high costs with a minimal assurance of consumer benefits. Ofcom's focus group research before the July document also suggests that consumers could have problems with differentiating 08 sub-ranges, were the 03 range not to be opened.
- 3.32 A key concern expressed about Ofcom's proposal is that it represents a retail price control, and that OCPs would therefore lose revenue due to the introduction of 03. Ofcom does not accept this argument. Whilst 03 prices would be linked to those for 01 and 02 calls, all OCPs would have the flexibility to adjust their combined prices for 01, 02 and 03 calls in competition with each other, as happens now for 01 and 02 calls. Ofcom is simply requiring OCPs to price calls to 03 numbers by reference to prices that are not regulated and which OCPs are able to vary. Ofcom is not setting a specific price level for 03 that applies either to all OCPs or to any individual OCP.
- 3.33 OCPs can vary their geographic call prices at any time, even where the headline rate remains unchanged. For example, the introduction of new call packages and changes to existing call packages changes the price faced by a customer. Introducing 03 calls will still leave OCPs with the flexibility to vary geographic prices or call packages or both. OCPs will effectively need to manage the pricing of a larger "pool" of numbers than now.
- 3.34 Separately, some stakeholders have argued that the 'waterbed effect' – through which limiting one set of prices may be compensated for by a change in other retail prices – is very strong. To the extent that this effect applies, it would suggest that OCPs would tend not to lose out financially from SPs migrating from 08 to 03 numbers. Also, the volume of migrating 08 traffic would be much lower than the volume of 01 and 02 traffic<sup>22</sup>, and this limits the degree to which 01 and 02 prices may have to change to offset any first-order financial impact on OCPs. The first-order impact will also be limited in the early stages of 03 - and therefore easier to adjust for - because migration from 08 numbers will not all happen overnight. The absence of existing interconnection contracts for 03 also avoids initial inflexibility in setting 03 retail prices.
- 3.35 CPs should also experience higher overall call volumes as a result of Ofcom's 03 approach. Firstly, higher volumes should be anticipated as a result of greater consumer confidence to call 03 numbers relative to 08 numbers. Secondly, the

<sup>21</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/statement/futuresight/>

<sup>22</sup> Annex 5 of [http://www.ofcom.org.uk/consult/condocs/ntsoptions/nts\\_future/nts\\_future\\_op.pdf](http://www.ofcom.org.uk/consult/condocs/ntsoptions/nts_future/nts_future_op.pdf) indicates the volume of calls to 08 SPs (not all of whom would migrate to 03)

creation of a 03 range with a distinctive identity allows Ofcom to simplify 08 numbers. That simplification should make consumers better able to distinguish meanings between different 08 numbers, and so more willing to call those numbers. Paragraph 3.21 references consumer research that supports this projection.

- 3.36 Moreover, the impact of opening the 03 range and enabling SPs to migrate to 03 numbers would be the same as if SPs were just choosing to move back to 01 or 02 numbers. Ofcom, by creating 03, is giving SPs a further migration option to react to their customer's needs and wishes without forcing them to lose the marketing and operational benefits offered by non-geographic numbers. Ofcom considers it appropriate to provide for an alternative number range that will in practice serve the needs of those SPs' customers better than if SPs moved instead to 01 and 02 numbers. In effect, opening the 03 range will be from a consumer perspective very much like creating more geographic numbers, but will also allow SPs a choice to take up those numbers if they judge the commercial position as favourable.
- 3.37 Also on financial impact, Ofcom notes that mobile operators – including Vodafone and the Mobile Broadband Group - have expressed concerns about potentially originating calls at a loss, or alternatively cross-subsidising 03 calls. However, Ofcom's current understanding from its contact with industry stakeholders is that 03 termination rates ought to be close to, and may match, those for geographic calls; Ofcom would expect that the costs of providing value-added services to SPs would be met by those SPs. In this context, Ofcom does not see how OCPs, including mobile networks, would make losses when originating 03 calls.
- 3.38 The ability to provide a pre-call announcement has been argued to be a more proportionate way to meet Ofcom's objectives. However, it is apparent to Ofcom from consumers' and SPs' feedback that a pre-announcement would not deliver the certainty that consumers want nor the confidence in, and SP migration to, the 03 range. This is particularly the case were a pre-call announcement to be generic in nature, as one OCP has suggested to Ofcom as a possibility, rather than giving the specific price for each 03 call.
- 3.39 Vodafone argued that Ofcom's proposed 03 pricing approach was inconsistent with its decision on 0870 numbers and its proposed 070 approach. However, in relation to 0870 Ofcom believes that it is tackling different problems that are particular to that existing number range; those problems were discussed at length in the NTS Review. For 03, the objective is to establish a new range associated with certainty and clear consumer confidence, to deliver the benefits described in paragraphs 3.24-3.31 above. This objective will not, in Ofcom's view, be delivered by a pre-call announcement. Ofcom believes that its chosen designation for the 03 range is therefore necessary to achieve its objective, and is also proportionate as it represents the least intrusive means to achieve that objective. As for the 070 personal number pre-call announcement, that is intended to provide consumer protection in combination with an absolute price benchmark in the Plan. Ofcom's 03 proposal did not involve such an absolute price benchmark. A pre-call announcement was therefore necessary for 070 prices, which (unlike 03) were not proposed to be linked to any other call prices.
- 3.40 Ofcom's 03 proposals have been criticised for discriminating between OCPs. Vodafone stated that Ofcom noted potential difficulties in applying common pricing descriptions to all providers but did not consider those difficulties for 03. Ofcom does not agree with this argument, as Ofcom's point in that respect related to reflecting different call origination costs *between* providers. In the case of 03, each OCP simply has to match its *own* 03 prices to what it charges for calls to 01 and 02 numbers. The

issue of differences in origination costs between OCPs (including between fixed and mobile OCPs) is not relevant to that 03 pricing decision.

### Ofcom's ability to include pricing designations in the Plan

- 3.41 As noted in paragraph 3.18 several providers – Vodafone, T-Mobile and the Mobile Broadband Group - suggested that Ofcom did not have a legal basis for including pricing designations in the Plan as they relate to 03 as this amounts to ex ante price regulation on non-SMP operators. Some respondents raised similar arguments in relation to Ofcom's proposal for a price trigger on 070 Personal Numbers; for example, Cable and Wireless queried the legal lever for imposing a pre-call announcement price trigger on non-SMP operators. Ofcom's decisions in relation to Personal Numbers are discussed in detail in Section 4. However, to the extent that common legal issues were raised in relation to Ofcom's legal powers to make designations for both UK-wide Numbers and Personal Numbers they are discussed here.
- 3.42 Vodafone stated that Ofcom's proposals to include pricing designations for 03 (and 070) that were applicable to all OCPs was fundamentally inconsistent with the EC regulatory framework, citing a number of provisions of the Framework Directive<sup>23</sup>, which applies to electronic communications networks and services ('ECNs' and 'ECS'). Ofcom disagrees with this view. First, the Framework Directive has several key principles – the promotion of competition, development of the internal market, and the protection of citizens. In relation to the protection of citizens, one of the principles is that consumers should have clear information, in particular requiring transparency of tariffs and conditions for using ECS. In carrying out its regulatory functions Ofcom has to do so in line with its duties in sections 4 and 3 of the Act. Section 4 requires Ofcom to act in accordance with these Community principles and section 3 requires Ofcom to further the interests of citizens and consumers by promoting competition. Where it appears to Ofcom that any of its duties conflict with each other in a particular case (both in relation to its duties to fulfil the Community obligations and Ofcom's general duties), Ofcom is required to secure that the conflict is resolved in the manner it considers most appropriate in the circumstances. In the event there is a conflict between fulfilling the Community duties and Ofcom's general duties, the Community duties prevail.
- 3.43 Ofcom's regulatory functions include examining markets and imposing regulation that is designed to address problems in markets where effective competition is not evident, such as where there are providers with SMP. Ofcom also has other functions including managing the UK's numbering resources and ensuring that the way various numbers are made available and used (as the basis for delivering a range of ECS) furthers the interests of consumers. To discharge these functions Ofcom has a range of regulatory options available to it.
- 3.44 Annex C of the Authorisation Directive sets out a list of conditions that may be imposed in relation to rights of use of numbers. Specifically, paragraph 1 of Annex C provides that Ofcom may impose conditions relating to the, "*designation of service for which the number shall be used, including any requirements linked to the provision of that service.*" The conditions relating to rights of use of numbers are incorporated in sections 56 and 58 of the Act. These conditions extend to including within the Plan restrictions on the adoption of numbers and the other uses to which numbers available for allocation may be put. Further, Ofcom can impose conditions that regulate the use by a provider of numbers not allocated to that provider.

<sup>23</sup> See [http://ec.europa.eu/eur-lex/pri/en/oj/dat/2002/l\\_108/l\\_10820020424en00330050.pdf](http://ec.europa.eu/eur-lex/pri/en/oj/dat/2002/l_108/l_10820020424en00330050.pdf)

- 3.45 Accordingly, we do consider that Ofcom has a legal basis for including pricing designations in the plan. However, Vodafone argued that even if the power to include these designations did exist, Ofcom is precluded from using the power in this way as this would be contrary to the EU regulatory framework because ex ante regulatory obligations are only permissible in certain circumstances. Again, Ofcom does not accept this interpretation of the EU regulatory framework. As discussed in paragraphs 3.32 to 3.35 Ofcom does not consider the designation requiring providers to link their 03 prices to (unregulated) prices charged by them for 01 and 02 services to be price regulation. To the extent that requiring CPs to link the price charged by them for 03 numbers to their (unregulated) 01 and 02 prices places a constraint on a CP's 03 pricing options, we believe it is necessary to do this to ensure that consumers will have the confidence to call these numbers, thereby also ensuring that SPs will adopt these numbers. The outcome we are seeking to address by this regulatory solution is to ensure that consumers are protected in all cases when calling particular numbering services. This is distinct from the use of price regulation to address problems that can arise in markets characterised by ineffective competition.
- 3.46 Vodafone has argued that our proposal for 03 is highly intrusive and disproportionate. For the reasons set out in paragraph 3.45 and paragraphs 3.23-3.38 Ofcom considers that requiring CPs to link their 03 prices to their unregulated 01 and 02 prices is the least intrusive and the most proportionate way to achieve the outcome of ensuring confidence in new numbering services. CPs will still have flexibility to set prices for these services and consumers will benefit from the certainty that comes with geographic prices. We are taking this action because Ofcom believes that in these circumstances not including these designations would result in a greater harm overall.
- 3.47 Therefore, in the case of the 03 and 070 number ranges, Ofcom considers that it does have the legal basis to make the designations for these ranges in the Plan, and further, to require that these designations are complied with and enforceable by way of a specific obligation in GC 17. Annex 2 provides additional legal background including how Ofcom has satisfied the further legal thresholds that must be satisfied in order to make the changes that have been made to the Plan. There is also a discussion on how the proposed change to GC 17 meets the requirements for modifying general conditions.

### Conclusion on pricing of 03 numbers

- 3.48 Ofcom considers that the chosen price provisions for 03 are an integral part of the 03 service. The 03 range was conceived to provide numbers that are like geographic number from consumers' perspective, whilst providing numbers with a national presence (and without revenue-sharing) to meet SPs' service requirements. Ofcom believes that the 03 range will create certainty and ensure consumer confidence together with a reasonable degree of SP migration if the link to 01 and 02 prices applies to all OCPs.
- 3.49 The introduction of the 03 range to be available for adoption by SPs is a measure to raise consumer confidence now and for the future. Ofcom considers there to be consumer and SP demand for 03 numbers in the form it has developed. This is evident from the pattern of consultation responses received by Ofcom on non-geographic numbers (see paragraph 3.15).
- 3.50 Ofcom has decided to confirm its original proposal that 03 calls will have to be priced the same as calls to 01 or 02 numbers. In effect this means that prices to call 03

numbers cannot exceed the rate to make a national geographic call. Ofcom is proposing that this should be enforceable through a modification to GC17 (see paragraphs 3.53 to 3.57). Respondents to the February consultation document did not favour diluting the identity of the 03 range by having separate 03 sub-ranges for local and national calls. Partly this can be explained by the limited difference between retail prices for such calls; many providers do not have a separate local call rate. Ofcom anticipates that most 03 calls will be set at national rates, although SPs are free to pursue commercial negotiations with CPs to secure that consumers pay less to call them.

- 3.51 The Mobile Broadband Group raised the detailed point that some types of calls to 01 numbers (e.g., some calls to the Channel Islands) were not included in inclusive bundles. Ofcom's aim is to ensure that charges for 03 calls are the same as those for the generality of 01 and 02 calls. Ofcom has therefore amended its 03 definition to reflect this intention in the obligation, by adding 'UK' before 'Geographic Number' in the new Plan definitions (see Annex 3) for each of the 03 sub-ranges.
- 3.52 The pricing requirement will include, as proposed in the July document, a requirement that 03 calls be treated like bundled 01 or 02 minutes where the customer has any of those left, and be treated the same in respect of calls qualifying for any discount schemes. Ofcom believes that these specific requirements are necessary to achieve the purpose of giving sufficient certainty and confidence about 03 prices. In addition, as proposed in the July document, the pricing descriptions for 03 will apply to calls from all lines, including mobile phones and phone boxes.

### **Enforceability of the Plan**

- 3.53 Colt and Cellbyte suggested that Ofcom's proposals for price designations would not be sufficiently enforceable without amending GC17 (GC 17) to specifically require all OCPs to adhere to the service and tariff descriptions of the Plan. It was suggested that this would support the successful implementation of Ofcom's plans for the 03 range. This argument was also made in respect of 070 personal numbers (see Section 4). Ofcom has reviewed the current obligations on those adopting and using telephone numbers in the light of its strategic aim to raise confidence in the Plan.
- 3.54 The current system for allocating numbers is that terminating communications providers ('TCPs') are allocated ('adopt') numbers and then they are formally responsible for ensuring that the numbers are used in accordance with the Plan. To date, this system has worked reasonably well.
- 3.55 However, with 03 (and 070) Ofcom is beginning to introduce designations that will apply to calls made by customers of all OCPs, rather than (for example) calls made by BT's retail customers. Continuing the current system of requiring only TCPs to adhere formally to the Plan would make it less likely that the new service definition for 03 (and that for 070) are followed, and thereby undermine Ofcom's intentions for these ranges. At the same time, Ofcom could find it harder and impractical to take enforcement action as we would need to act against multiple TCPs as a result of an OCP's decision not to follow the service and tariff descriptions in the Plan.
- 3.56 Ofcom therefore considers that, to ensure that the Plan requirements for 03 and 070 numbers are effective, it is necessary to place a formal obligation on all OCPs to adhere to the service and tariff descriptions in the Plan for 03 and 070 numbers. Ofcom considers that the way to do this is to amend GC17, which applies to all relevant CPs. Annex 5 of this document sets out the text of this proposed amendment in a Notification.

*Question 1 Do you have any comments on the proposed amendment to General Condition 17 as set out in Annex 5 of this document?*

- 3.57 Ofcom is now consulting for one month on this proposed amendment, to **14 March 2007** (see Annex 6). Ofcom anticipates that this proposed amendment can be implemented before 03 numbers are in use by consumers (and before the new 070 requirements come into place). The extra time needed to implement this proposed amendment should therefore have no practical impact.
- 3.58 We stated in the July document that we intend to broaden the application of the Plan by developing designations that apply to calls from all lines. We will consider how to do this for other number ranges as part of the review of Plan service definitions (on which we plan to consult later in 2007).

### **The structure of 03 numbers**

- 3.59 Various points were raised about Ofcom's proposed allocation of 0300 numbers to not-for-profit SPs. Cable and Wireless and a confidential respondent were concerned about possible consumer confusion with 0500 and 0800 'Freephone' numbers. It was also suggested that SPs' ability to migrate from chargeable 08 numbers to 03 'equivalents' would lead consumers to think that 0300 calls would cost the same as 0800 ones. One respondent suggested not allocating 0300 (or 0303) codes to minimise the misdialling of similar 01 numbers.
- 3.60 Only one respondent opposed the inclusion of a not-for-profit 03 sub-range, and also questioned the boundaries of 0300 eligibility, whilst foreseeing less concern if Ofcom enforced flexibly any inadvertent allocation breaches. The FCS supported this sub-range in principle but suggested that there would be difficulties if Ofcom's definitions were too proscriptive. The INWG suggested that all not-for-profit bodies working for the common good of society should get such numbers. Redstone supported a dedicated not-for-profit sub-range but thought that 0300 numbers should be more widely available to encourage faster take-up by all types of organisations; 03000 was proposed as the dedicated not-for-profit range.
- 3.61 Ofcom's response to these points is made in the context of a changed background for 03 allocations. Ofcom recently has learned that some large public bodies intend to apply for significant volumes of 03 numbers, with demand exceeding 100,000 numbers in at least two or three cases. These indications of high demand for 03 number blocks question the ability of the 0300 sub-range to deliver a distinct sub-range for not-for-profit services over a long time period. Ofcom has therefore decided to dedicate the whole of the 030 sub-range to not-for-profit services, and to use a different memorable tenth of the 03 number range – '033' – for any other users.
- 3.62 Given that expanded capacity, Ofcom has decided to offer a broader choice of blocks in the initial competitive selection process, by making available two three-digit sub-ranges in each of the 030 and 033 sub-ranges. The sub-ranges included in that competitive process cover 0300, 0303, 0330 and 0333 numbers. This provides distinctive sub-ranges containing memorable numbers, whilst leaving most of 03 unopened, so Ofcom is satisfied that it is the right balance between number utilisation and encouraging both transparency and migration to 03.
- 3.63 The '0306' sub-range will also be made available - on a first come, first served basis - at the earliest stage. This responds to a specific urgency issue with obtaining particular 03 numbers that relates to their use by a very large public body. Ofcom would not expect 0306 numbers to be in such obvious demand as other 030 sub-



ranges being opened initially now. Any CP can apply for 0306 numbers as well as participating in the competitive process for other 030 numbers, if appropriate number demand can be demonstrated.

- 3.64 On the issue of confusion of 0300 with 0800, Ofcom acknowledges the limited risk of some short-term confusion and misdialling but also believes that in strategic terms, being able to choose a preferred number gives SPs marketing benefits both initially and over the longer term. Ofcom has indications that public sector and not-for-profit providers would be very keen to have 0300 numbers available. The demand for that sub-range is also indicated by Redstone's proposal that other providers also be able to secure 0300 numbers. Ofcom wishes to promote the success of 03 by initially making available a choice of attractive numbers, including 0300. Ofcom is also conscious that, following the initial competitive allocation of 03 numbers, further 03 allocations will be issued only if CPs can demonstrate that they need further capacity. This situation would tend to give larger CPs an advantage if potentially very attractive numbers are available only for first come, first served allocations. The now broader allocation of sub-ranges from within 030 may also reduce the risk of associating 0300 with 0800 tariffs. It is also in the interests of SPs, seeking to operate on trusted numbers, to make callers aware of the charges to call the 03 numbers they select. Ofcom hopes that SPs using 0300 numbers will provide clear tariff messages in marketing their new numbers.
- 3.65 One confidential response suggested that 03 blocks should be allocated in such a way as to minimise the risk of number clashes with equivalent 01 codes. Ofcom has decided not to prevent specific 030 and 033 blocks from being allocated at this stage. Ofcom considers that opening a choice of attractive 03 sub-ranges is preferable for CPs adopting those numbers and for the early success of the 03 range. It would also be too restrictive to not open for allocation all those 03 blocks which may lead to a misdialled call, as a large number of potentially 'equivalent' blocks have already been allocated in the 01 range. Ofcom also believes that consumers are more likely now to appreciate that numbers may not start with 01 than when new types of number were introduced in the past.
- 3.66 On the eligibility as a not-for-profit provider, most consultation responses suggested that some guidance on eligibility was helpful. In the light of those responses Ofcom has decided to maintain its proposed approach of providing guidance on the eligible bodies<sup>24</sup> and amending that with experience. This should allow Ofcom to preserve the distinctive profile of SPs using 030 numbers. CPs unsure about allocating 030 numbers should contact Ofcom for advice if the eligibility guidance does not appear to give a clear steer. Ofcom believes that this approach avoids a proscriptive approach, which some respondents suggested was possible. Ofcom believes that indicating some eligibility categories will be more workable than the INWG's proposed broader approach for CPs that are considering how to distribute 030 numbers.
- 3.67 Some detailed suggestions were made by various respondents for additions to the list of eligible not-for-profit bodies. These proposed additions include bodies whose number is part of the COI aggregated Government Telephony contract; educational establishments such as universities, schools and colleges; GPs' practices and urgent care providers; and Arms Length Management Organisations and other bodies working with local councils. Ofcom accepts these suggestions and has adjusted its guidance accordingly.

<sup>24</sup> See <http://www.ofcom.org.uk/consult/condocs/numbering03/030guidance/>



- 3.68 One consultation respondent, and since then some other stakeholders, have asked for the ability to reserve specific 0300 numbers for migration from current 0870 and 0845 numbers. Ofcom does not believe that eligibility for what is now the 030 sub-range should work like this, for several reasons. Firstly, it would discriminate in favour of those CPs holding existing 08 numbers by giving them an advantage in applying for attractive 030 numbers. Secondly, encouraging a very distributed allocation of 030 numbers would reduce the opportunity for public services to develop a structure for 03 numbers in a way that promotes effective service delivery to citizens. Also, from a practical perspective the fact that there are five potential holders of current 'equivalent' 08 sub-ranges (0800, 0844, 0845, 0870, 0871) would mean either tying up a large volume of 030 numbers for migration or having up to five SPs vying for the same 030 numbers. However, without actually reserving 030 numbers, Ofcom notes that the allocation of the whole 030 sub-range to not-for-profit services now provides increased opportunities to obtain 030 numbers that are similar to current 08 ones.
- 3.69 Some consultation comments were also received about the 03 'migration' sub-ranges of 034 and 037. It was suggested that Ofcom clarify that 0344, 0345, 0370 and 0371 numbers could be used by new customers as long as their 08 equivalents are not in use, and that such numbers could not then be used by those holding the equivalent 08 numbers who want to migrate to those 03 numbers. Ofcom disagrees with this suggestion, as we want to encourage easy future migration from current 08 numbers. Therefore, for the time being Ofcom will not enable new 03 numbers to be allocated in these migration ranges; this will preserve the migration path from 08 to 03 numbers. For those wanting new 03 numbers, the 030 and 033 sub-ranges will provide ample supply.
- 3.70 In one confidential response, some detailed changes were suggested to the application form and Plan description for 03. First that the 03 application form should initially clarify the range of 03 numbers that can be applied for as being those that do not clash with equivalent geographic numbers. Ofcom does not agree with the respondent's view that this would not unduly restrict numbering choice, so does not intend to restrict available number blocks in this way. A change to the Plan was also suggested to clarify that number migration rights will apply only to specific numbers. Ofcom agrees with this change and has amended the Plan wording accordingly.
- 3.71 Ofcom has also decided to make some detailed, non-material changes to the draft Form S3. These changes reflect the difference between the 03 sub-ranges proposed in consultation and its final decisions on 03 sub-ranges. The 03 sub-ranges in Form S3 are now described at a higher level, allowing for further parts of the chosen sub-ranges to be opened in future without requiring a further stage of formal consultation in the future to amend Form S3.
- 3.72 Some respondents (including Cable and Wireless in their response) asked what the practicalities would be with ported numbers when migrating from 084 and 087 numbers to corresponding 034 and 037 numbers. Ofcom anticipates that the CP serving the majority of an 084 or 087 block will generally be most likely to apply for the corresponding 03 block. Ofcom favours this approach, as it is not complex and should minimise the degree of number porting. However, where that CP (who will often be the one that was originally allocated the block) does not wish to apply for the corresponding 03 block, other CPs with ported or sub-allocated numbers in the 08 block should be able to acquire that 03 number block to promote migration from 08 numbers. Ofcom accepts that a variety of outcomes are possible but, rather than specifically setting out requirements for CPs to port or sub-allocate ported numbers on request, Ofcom has included a requirement in Part B of the Plan (see Annex 3) that effectively means that the only instances where 034/037 numbers may be

adopted or otherwise used by CPs is when a customer is migrating from a matching 084/087 number. Having made this option available to allow for easy migration, we expect CPs to liaise with each other and take a pragmatic approach to enable migration with minimal delay.

- 3.73 In Annex 2, the changes to the Plan and introduction of the 03 application form are assessed against the relevant legal tests.

### **The allocation process for 03 numbers**

- 3.74 A number of respondents made points about the allocation process for 03 numbers. Various CPs have expressed a desire for clear and fair processes where multiple providers apply for the same number block.
- 3.75 Ofcom has today separately published the process for how it will allocate 03 numbers<sup>25</sup>. That process provides full details how and when the various types of 03 numbers will be made available, and clarifies various points that stakeholders have raised about the process. The first applications can be made for some of the 03 sub-ranges on 6 March 2007.
- 3.76 A key feature of the initial allocation of 0300, 0303, 0330 and 0333 number blocks is that where multiple applications are received, there will be a competitive process. Number applicants' preferences for different blocks will be processed in up to five rounds in that lottery process. Following that, further applications will occur under the standard first come, first served method of number application.
- 3.77 The COI asked whether high profile or large volume government services might obtain more memorable numbers through a more managed allocation process than normal. Ofcom is sympathetic to this aim but cannot allocate particular numbers or groups of numbers for the use of particular SPs. Such an approach would breach its legal duty not to discriminate unduly in favour of particular types of CPs. However, Ofcom will consider requests to open particular 030 sub-ranges for allocation under the standard first come, first served process. Ofcom would do this in such a way that, once opened, such numbers could be applied for by any CP, but we would anticipate that in many or most cases such numbers would be quickly applied for by, and thus allocated to, the CP asking for them to be opened. Note that Ofcom only allocates numbers to CPs, not directly to SPs. SPs should discuss their preferences for specific numbers with CPs.

### **Ofcom's decision process**

- 3.78 Some providers (the FCS, the INWG and Flextel) alleged that Ofcom did not follow proper processes, by introducing the 03 range whilst maintaining its April 2006 decisions on 0870 numbers. It was suggested that Ofcom made these decisions in isolation and did not consider properly all representations made in the numbering review. Ofcom strongly rejects this suggestion: the 03 proposal was published - as an option only - in February 2006, two months before the NTS statement in April 2006. The July document also considered NTS policy. Also, Ofcom considered the interaction of its decisions both within its NTS statement and the numbering strategy consultation process.
- 3.79 In the July document Ofcom considered the views expressed in consultation responses about the relationship between the two number ranges, but we drew

<sup>25</sup> See <http://www.ofcom.org.uk/consult/condocs/numbering03/03allocation/>

different conclusions to those favoured by some stakeholders. Ofcom considered, and still considers, that the 0870 decisions address a set of policy issues relating specifically to 0870 numbers that would not be resolved by introducing the 03 range. Ofcom therefore maintains its view that its 0870 decisions do not need to be revised to take account of the decisions in the July document.

- 3.80 Ofcom also does not agree with the following two other detailed process points that were made by the INWG. First, the INWG suggested that Ofcom admitted in the July document to inconsistencies in its decision-making. Whilst Ofcom acknowledged that there might appear to be inconsistencies between 0870 policy and overall numbering strategy, this was not an admission of real inconsistencies. Ofcom does not in fact consider there to be any inconsistency, as we explained in the July document<sup>26</sup>. The INWG also suggested that Ofcom ignored consumer focus group research in reaching its decisions on 03 and 08 numbers. In fact the results of that research, which compared opening 03 with other ways to supply more numbers, strongly supported the 03 concept and the future 08 structure that Ofcom set out in July 2006.

### Other 03 issues

- 3.81 The COI asked how much SPs would pay for 0300 numbers, including whether financial or other assistance would be available to government departments in making the transition to 03. The costs of acquiring and operating 03 numbers are matter of commercial negotiation for SPs (including public bodies) who will have to weigh up the costs compared with, among other things, the benefits of added-value services on non-geographic numbers and any expected benefits in terms of service delivery and customer perceptions. Ofcom has sought to make the transition easier by making available 03 numbers with memorable prefixes and by keeping open for specific SPs (currently with no time limit) those numbers in the 03 range that most closely match the current 08 numbers. Ofcom notes COI's comment that aggregation of traffic through its existing arrangements may help public bodies to migrate to 03 numbers.
- 3.82 Cellbyte also asked some questions about interconnection charges for 03 numbers. Ofcom expects these costs to be the subject of commercial negotiation involving CPs and those using 03 numbers. The 03 range will not fall under NTS regulation, but under the Plan retail charges will have to be linked to geographic levels.
- 3.83 The COI asked when Ofcom might mandate a change for Government bodies to 0300 numbers. Ofcom has not, however, suggested such an obligatory change from 08 numbers to 0300 (now 030) numbers. However, in the July document Ofcom acknowledged that some providers using 08 numbers would not currently price their services in a way that fits with the broader consumer-facing price descriptions that Ofcom aims to establish for the 08 range. When discussing 08 numbers, Ofcom stated that it might in future consider the case for requiring some services to migrate, to increase transparency for consumers. The timing of such action would depend on the level of necessary migration being sufficiently low relative to the transparency benefits involved.
- 3.84 There were also some questions about number portability. Cellbyte asked how soon 0300 numbers (and 06 numbers) could be ported and what would be the relevant costs. In reply, under General Condition 18 general obligations for portability will

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<sup>26</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/statement/statement.pdf>, paragraphs 5.13, 5.14, 5.48 and 5.69

apply to 03 numbers as for other numbers. It is for CPs to ensure that portability is provided on an appropriate basis under that obligation.

- 3.85 The issue of publicity for the new range was also raised. Ofcom is considering its options for what publicity could be effectively and efficiently provided in the run-up to when 03 numbers can be dialled. We will be contacting stakeholders to discuss suggestions that we have already received.

### Summary of Ofcom's 03 decisions

- 3.86 Ofcom is amending the Plan to introduce 03 numbers, which will be designated as being priced in the same way as geographic numbers. Customers will pay no more to call 03 numbers than they would pay to call standard geographic 01 and 02 numbers (up to national rate). Calls to 03 numbers also will be treated like calls to standard 01 and 02 numbers in respect of their inclusion in bundled minutes and whether they qualify for discount packages.
- 3.87 Revenue-sharing with end users will not be permitted on 03 numbers, but the restrictions on the use of 03 numbers are otherwise quite limited, allowing flexibility in how 03 calls are delivered in a technical sense. Some restrictions in the definition of 03 numbers were removed in response to consultation responses.
- 3.88 Ofcom is initially making available various 03 numbers. Numbers beginning with 030 will be specifically made available for use by public services and other not-for-profit organisations. Ofcom will maintain guidance on its website on the type of bodies falling within this definition, to assist CPs with their decisions to allocate 03 numbers to end users<sup>27</sup>. Ofcom's guidance includes more types of organisation following comments received in consultation responses.
- 3.89 Some numbers beginning with 030 or 033 will be made available initially through a competitive selection process that commences three weeks from the date of this document, on 6 March 2007. Ofcom is also making it possible for end users who have numbers beginning with 084 and 087 to transfer to the equivalent number on the 03 number range. Full details on the allocation processes, and the timings involved, are provided in a separate document that we have published today<sup>28</sup>.
- 3.90 Ofcom is introducing Form S3 to enable CPs to apply for 03 numbers.
- 3.91 Ofcom is also consulting until 5pm on **14 March 2007** on an amendment to GC17 with a view to making the designations for 03 numbers, as set out above, directly enforceable on all OCPs.

<sup>27</sup> See <http://www.ofcom.org.uk/consult/condocs/numbering03/030guidance/>

<sup>28</sup> See <http://www.ofcom.org.uk/consult/condocs/numbering03/03allocation/>

## Section 4

# Personal numbers

### Ofcom's consultation proposals

- 4.1 In the July document Ofcom considered mobile numbers together with personal numbers. For mobile numbers, we proposed that the number range 071-075 be designated as mobile services and the corresponding application form for mobile numbering be changed accordingly with associated amendments to the Plan. Ofcom has since addressed the mobile numbering issues in a separate statement that considered respondents' views and provided Ofcom's decisions<sup>29</sup>. This Section therefore is confined to issues with personal numbers.
- 4.2 In the July document Ofcom proposed to address current problems with personal numbers by setting a limitation where the price for calls to personal numbers exceeded a certain level. Under this system, callers would get a free-to-caller pre-call announcement telling them the cost of the call in cases where the cost would exceed that price level. Ofcom considered that this proposal would not restrict the prices charged for calls to 070 numbers but that it would give consumers much more transparency about the level of those prices.
- 4.3 Ofcom consulted on two options for the price level triggering a pre-announcement:
- a standard price level of 20 pence (per minute or per call) from all OCPs; or
  - a customer-specific price level set at the maximum that a customer would pay to call a mobile phone from that OCP.
- 4.4 As well as consulting on the level of the price trigger, Ofcom consulted on the timing of the obligation, by asking whether an implementation period of four months was a realistic timeframe for introducing pre-call announcements.
- 4.5 In terms of the content of the pre-call announcement, Ofcom proposed that the message should at least tell consumers the maximum amount that they might pay to call a personal number, although providers could (if they wish) include more specific content. Ofcom considered that framing the obligation in this limited form represented an obligation on CPs that was proportionate to the particular problems of the 070 range.
- 4.6 Ofcom also stated in the July document its plans to close the 070 number range for new personal number allocations from the end of 2007. Ofcom would review the demand for personal numbers by the end of 2007, and decide whether to open the 06 number range. The 06 range is now reserved for personal numbers, as well as 'individual numbers' (i.e., ones for direct allocation by Ofcom), with supply of the latter depending on technical developments.

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<sup>29</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/statement/mobilenumbers/>

## Analysis of responses to consultation

### Citizen-consumer interests and policy objectives

- 4.7 The aim of Ofcom's policy is to introduce consumer protection measures to counter the high level of scams on personal numbers. Many of these scams occur due to the lack of tariff transparency on personal numbers. For example, many consumers make calls mistaking 070 numbers for mobile numbers. Ofcom's aim for the measures it is introducing is to ensure that consumers are protected through greater transparency of call charges that exceed a certain level.

### Assessment of policy options: price level triggering pre-announcements

- 4.8 Some respondents were against any proposal for an obligation and did not agree with either of the specific options mentioned above. However, most respondents that expressed a preference suggested that the 20p option was better, for example because it was more straightforward to implement and would provide more clarity to consumers. The option to have a customer-specific price trigger relating to prices to call mobile phones was favoured by only one respondent, with more respondents considering it complex to implement and that it was not an effective consumer protection measure.
- 4.9 Some respondents questioned whether or on what basis Ofcom could introduce such an obligation, and some (including the Mobile Broadband Group and T-Mobile) argued that originators without SMP should not be forced to price calls to personal numbers in a particular way. In Section 3, Ofcom considers similar arguments in respect of 03 numbers. Ofcom does not accept that the pre-call announcement price level trigger restricts the ability of OCPs to set prices for calls to personal numbers, or even (as Vodafone and T-Mobile suggest) causes OCPs to originate 070 calls at a loss. The chosen price level does, however, act as a trigger to give callers a greater understanding of call charges and so provide more protection against the continuing and disproportionate level of consumer abuses concerning personal numbers (as described in the July document). Some OCPs may of course prefer to adjust their retail prices and/or review their interconnection agreements for calls to personal numbers, instead of setting their prices above the trigger level, but this is their choice. Ofcom does not accept T-Mobile's suggestion that the wholesale price would need to be regulated accordingly. As discussed in Section 3 for 03 calls, the 070 designation does not depend on the level of competition or on SMP status in any particular market, but is a customer protection measure applicable to all CPs in all markets.
- 4.10 Having considered the responses, Ofcom concludes that a price level of 20ppm (or 20ppc) is the most appropriate option, as it provides a reasonable degree of protection for consumers whilst limiting the complexity of pre-call announcement systems. Ofcom is therefore introducing the price trigger obligation into the Plan for calls to personal numbers. If a call to a personal number is charged below the price of 20ppm (or 20ppc) then the call will proceed as normal. If the price exceeds that level then a short, free-to-caller pre-call announcement must be given to the caller about the price of the call. Ofcom notes the FCS and Flextel comments that changes in VAT would impact a VAT-inclusive price level but believes that to provide meaningful protection the pre-announcement should be linked to the price that consumers actually experience. Changes in VAT need not affect operating margins as Flextel suggests because OCPs are still free to set their chosen price level for calls to these numbers.

## **Assessment of policy options: pre-call announcements - content and implementation**

- 4.11 Respondents expressed a range of alternative timeframes for the introduction of pre-call announcements. The responses range from accepting Ofcom's proposed timeframe of February 2007 (then anticipated to be four months from implementing the obligation) as a reasonable timeframe, to asserting that a year was more reasonable. Technical and commercial issues were raised as reasons for needing more implementation time. Some respondents did not give a view on this issue.
- 4.12 The timeframe for implementation is linked with the practical issues with providing pre-call announcements. Some stakeholders have questioned the ability of all OCPs to provide a pre-call message that states the maximum cost that the customer might pay to call a personal number. In particular, this problem was said to be due to the fact that some CPs provide network services to others. Examples are BT providing services to Wholesale Line Rental (WLR) providers, and T-Mobile providing services to Mobile Virtual Network Operators (MVNOs). Any requirement to provide a message stating a maximum call cost would require network originators to know at all times the maximum call cost to make a 070 call from each of the reseller CPs using their network. This could be disproportionately complex to implement, as originators would have to keep track of reseller CPs' retail prices to call 070 numbers. Additionally, the content of pre-call announcements would have to vary according to the maximum price charged by each CP.
- 4.13 Ofcom wishes to achieve greater transparency about personal number call costs within a reasonable timeframe. We have therefore considered whether a similar improvement in transparency can be achieved through a more generic pre-call announcement that is more straightforward and timely to implement. Fundamentally, Ofcom's aim is that callers should get a reasonable degree of protection by being made aware that they may pay more than a certain amount, and potentially far more than they might expect, to call a 070 number.
- 4.14 In response to these stakeholder views, Ofcom believes that a slight change to the obligation could still provide a comparable degree of transparency for customers of those CPs who buy network services from other CPs. This could be done through a pre-call announcement that provides all callers using that originating network with a statement of the maximum call charge levied by the network provider to its own customers for such a call. For example, customers of a BT WLR provider would get a message that at least gives the following level of information: 'Calls to BT customers to numbers beginning with 070 may cost up to [maximum BT retail price]. Prices for other customers may vary'.
- 4.15 While such a pre-announcement would not give the customer of some CPs a specific price announcement, it should give a reasonably good benchmark for the price they might pay to call 070 numbers. This approach would, however, benefit all consumers by facilitating earlier implementation of pre-call announcements, albeit with a less specific pre-call announcement for 070 numbers. Pre-call announcements could, of course, also advise callers to contact their customer service department to clarify the exact call charges.
- 4.16 Ofcom's conclusion is that the pre-call announcement should at least tell callers the maximum call charge levied by the network originator to its own customers for a call. CPs are of course free to provide more specific information about their applicable calling charges rather than a more generic reference to the maximum price that the underlying network operator charges its own customers. Partly in recognition of this



simplification of the pre-call announcement message, Ofcom has decided that CPs should implement such pre-call announcements within four months of the date that Ofcom anticipates finalising the amendment to GC17 in respect of 070 numbers. Ofcom anticipates that GC17 amendment should be completed – subject to the consultation responses received - in Spring 2007, so has decided to include a date of 1 September 2007 in the Plan as the point at which the price trigger designation will take effect. Ofcom therefore suggests that CPs can and should begin to assess the feasibility of implementation. In reaching its conclusion, Ofcom is also mindful that some CPs already have systems for other pre-call announcements, which may be used for 070 numbers.

- 4.17 For the avoidance of doubt, the obligation to ensure that customers receive a pre-announcement in relevant cases applies to the CP who has the retail contract with the customer making the 070 call. Any CP that does not itself have the technical means to provide pre-call announcements will need to make an agreement with the network on which it offers services in order to secure that at least the minimum content for pre-announcements is provided, in accordance with the obligation.
- 4.18 Whilst Ofcom considers this to be an appropriate decision for 070 number at this point in time, given the remaining time for which personal numbers will be in use on the 070 range, we would prefer specific information to be provided to all consumers. Ofcom therefore stresses that in no sense should this expedient approach towards 070 be seen as a precedent for future Ofcom's decisions on the nature and specificity of any other pre-call announcements that may be introduced for other number ranges. In the same way, Ofcom's decision to allow pre-call announcements is considered appropriate for 070 numbers, as the customer protection provided in this case outweighs the potential annoyance at receiving a recorded message.
- 4.19 When Ofcom considers the opening of 06 numbers at the end of 2007 (into early 2008) we will also review the implementation and impact of 070 pre-announcements and consider whether a more specific pre-announcement requirement is necessary for 06 numbers (assuming that range is opened then). Ofcom's starting assumption at this point is that we would wish to have pre-call announcements for all customers that relate to the specific charges of their own OCP, in order to promote a more positive image for the 06 range from its inception.
- 4.20 One respondent suggested to Ofcom that an even more general pre-call announcement could be used for 070 numbers, whereby the message states that the call is chargeable and to a personal number. Ofcom does not believe that such a general message would provide an acceptable level of consumer protection, as it assumes that consumers are generally aware of what personal numbers are and as that message would give no price message except to tell that the call is not free. As calls to personal numbers can be significantly above even the 20p per minute (or per call) trigger that Ofcom has chosen, Ofcom does not believe that such a message would be adequate.
- 4.21 Scottish and Southern Energy (SSE) suggested that OCPs who are resellers are not in a position to provide pre-calls announcement, and so proposed a pre-call announcement obligation for 070 on wholesale providers instead, linked to a wholesale price ceiling. Ofcom disagrees with this proposal, as the pre-announcement needs to relate to retail prices in order to provide appropriate consumer protection. Resellers may not have the technical means to implement pre-call announcements but they can make agreements with their wholesale provider to secure that such pre-announcements occur in accordance with the obligation. As



stated in paragraph 4.16, network operators will have this obligation as regards calls made by their own customers.

- 4.22 One major provider has suggested that it is not able to implement a pre-call announcement message that charges nothing for the pre-call announcement and then starts to charge if the 070 call is continued. A potential alternative was suggested, of requiring callers to and 070 number to redial the number with a preceding access code. Ofcom has considered this submission, but considers that it must be possible for a major provider to fulfil the obligation in a way that other similar providers are capable of doing so. Ofcom does not consider that requiring callers to 070 numbers to redial such numbers is a strategic, consumer-friendly way to protect customers. Providers should each consider how best to ensure that the caller pays nothing for the pre-announcement on calls to 070 numbers. It would, for example, be acceptable to meet this requirement by providing a rebate for the pre-announcement on calls to 070 numbers (equal to the billed cost of the message).
- 4.23 A number of providers - the FCS, the Mobile Broadband Group, T-Mobile, Vodafone and Flextel - considered that the case for a pre-announcement was not clearly demonstrated. Ofcom's policy decision to have a pre-call announcement has already been subject to consultation and a conclusion by Ofcom in the July document so was not in the scope of this consultation. Ofcom believes, however, that its decisions on the form and timing of implementation represent a proportionate approach. Ofcom also notes that the number of personal number complaints has not tailed off; we received only one complaint less in the second half than in the first half of 2006. Note that Ofcom's legal powers to set service conditions in the Plan are summarised in Section 3, at paragraphs 3.41 to 3.47.
- 4.24 A number of specific comments opposing a pre-call announcement were as follows. First, Vodafone suggested that better policing of existing rules on 070 numbers is a better solution, and that capping the level of consumer harm is a curious approach to consumer protection. Ofcom does not accept that there is anything strange about limiting consumer harm by ensuring that consumers know what they might pay when calling a personal number above a certain price, and believes that enforcing the rules is complementary to that. Vodafone also suggested that the pre-announcement approach discriminates against mobile providers because of their origination costs. Ofcom does not accept this: mobile providers can still price 070 calls as they wish, and all OCPs are in the same position in terms of being able to recover the cost of pre-announcements. Flextel suggested that the obligation discriminates against personal numbering providers, partly as OCPs would be encouraged to increase their retail prices to trigger pre-call announcements. Ofcom does not see why OCPs would specifically wish to deter customers from calling these numbers, or more generally how a measure that does not limit prices to call 070 numbers could be said to discriminate against personal number providers.

### **Consultation on amending General Condition 17**

- 4.25 Some respondents questioned whether the price trigger requirement would be enforceable through the Plan alone and that changes also might need to be made to GC17 in order for Ofcom to have the power to take any action if the new 070 Plan requirements are not followed.
- 4.26 As noted in paragraphs 3.53-3.57, Ofcom has decided to consult in this document on amending GC17 in respect of 03 numbers. The effect of this is that all CPs, including CPs originating calls to 03 or 070 numbers, will have direct obligations to comply with the designations in these parts of the Plan.

- 4.27 As noted in Section 3, Ofcom is beginning (with 03 and 070 numbers) to introduce tariff and service descriptions that will apply to calls made by customers of all OCPs. To ensure that the new service definition for 070 is followed, and to make enforcement action easier, Ofcom intends (as with 03 numbers) to place a formal obligation on all CPs to adhere to the designations in the Plan where their callers are making calls to 070 numbers.
- 4.28 Ofcom is therefore now consulting for one month, to **14 March 2007**, on amending GC 17. The relevant consultation question, which covers both 03 and 070 numbers, follows paragraph 3.56 of the document. Annex 6 gives further details of how to respond and why this consultation process is shorter than normal. Ofcom anticipates that this amendment will be implemented before the new 070 requirements come into place. This proposed GC amendment applies only to 03 and 070 numbers, as explained further in Section 3 and Annex 2.

### Other issues raised in consultation

- 4.29 Some respondents, in particular those that provide personal number services, were disappointed either that Ofcom's July 2006 decisions excluded an immediate decision on the opening of 065 for personal numbers, or that they suggested forced migration to 06 numbers. Some considered that the uncertainty created for personal numbering services would not leave SPs in a position to be able to promise a 'number for life' to their customers. Some also thought that 070 numbers should continue in service due to the volume of numbers in use and problems of migration. PNC Telecom said that Ofcom had not consulted on the idea that migration to 06 should have an end date. The INWG said there Ofcom had done no meaningful impact assessment. Other respondents considered that Ofcom's proposals provided clarity and consumer protection measures to prevent scams and misuse of 070 numbers, and potentially clean up the image of personal numbers.
- 4.30 Ofcom acknowledges these points but they were not in the scope of this consultation process. Ofcom has consulted and published its decisions on its general approach to personal numbers in the July document. That approach is to assess from the end of 2007 whether there is reasonable demand for personal and individual numbers. If there is reasonable demand, Ofcom will open the 06 number range to provide a new and distinctive range for both purposes. Ofcom decided in July 2006 that it was not appropriate to keep personal numbering within 070 in the long term as this would be inconsistent with the move to identify 07 as a 'mobile' number range as well as the need to address the scams and consumer issues that have occurred due to the similarity of 070 personal numbers and 07X mobile numbers.
- 4.31 Ofcom points out that the February consultation document did propose a fixed transitional period for 070 numbers to migrate to 06<sup>30</sup>. Ofcom also believes that it did consider in appropriate detail the impact of its proposals, taking into account information provided to us in consultation responses and the strategic options available for creating identities for both mobile and personal numbers. The INWG specifically quoted Ofcom research suggesting that consumers felt strongly about keeping their numbers. That research, however, concerned geographic not personal numbers. These issues were described in more detail in the July document.
- 4.32 Lexgreen made some comments on retail prices to call personal numbers. First, they suggested that any inclusive minutes to call mobile phones should also be available for calling personal numbers priced below the price trigger. Ofcom does not accept

<sup>30</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/numbering.pdf>, paragraph A3.38

this as it does not consider there to be a reason to require personal numbers to be included in bundles in this way. Ofcom's longer-term approach to personal numbers instead envisages more distinction between these two services. Second, Lexgreen (along with PNC Telecom and Flexitel) suggested that certain retail prices for personal numbers represent overcharging. However, Ofcom's proposals are not intended to limit the prices charged for personal numbers but to give consumers a degree of protection through a pre-announcement where prices exceed a certain level.

- 4.33 One confidential respondent suggested a slight change to the 070 Plan definition to clarify that the 20p per call trigger only applies to fixed fee calls and does not apply when a pence per minute rate applies. Ofcom agrees with this suggestion and has made a change to the designation to clarify this requirement<sup>31</sup>.

### **Summary of Ofcom's decisions on personal numbering**

- 4.34 Ofcom is amending the Plan so that calls to personal numbers will be subject to an obligation if the price for a call to a personal number exceeds 20p per minute (or 20p per call, as appropriate). If OCPs choose to price calls to personal numbers above this level then a free-to-caller pre-call announcement must be provided to their callers. The minimum content that this pre-call announcement must state is the maximum price paid to call personal numbers by customers of the OCP on whose network the call is being originated. OCPs will, of course, be free to provide more specific information on call charges in their pre-call announcement.
- 4.35 This change to the service designation for 070 is implemented in the Plan as of 13 February 2007, although the designation does not take effect until 1 September 2007. Ofcom anticipates – subject to the consultation responses - publishing a statement amending GC17 in Spring 2007. This would give CPs four months to implement pre-call announcements for 070 calls before GC17 would be expected to become directly enforceable on them, from 1 September 2007. Annex 3 sets out the amendments made to the Plan, and Annex 2 sets out how these changes meet the relevant legal tests.

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<sup>31</sup> See Annex 3 for the revised definition of Personal Numbering Service for Part A1 of the Plan

## Section 5

# Geographic numbers

- 5.1 In the July document Ofcom proposed some changes to the Plan in respect of geographic numbers. The changes were:
- New definitions of 'Standard Area' and 'Conservation Area'; and
  - A specific requirement on the use of numbers in Standard Areas, such that CPs should use up a whole tenth of the numbers allocated in a block of 10,000 numbers (i.e., a '1k' part of a '10k' block) before another tenth is opened for use.
- 5.2 Ofcom received a number of consultation comments relating to its proposals on geographic numbers, as follows. Cable & Wireless commented on the proposed arrangements for issuing geographic numbers outside conservation areas. They supported the requirement to break into a new 1k part of a 10k block (an 'F-digit' sub-range) only once the previous 1k is fully allocated, and to notify Ofcom when that happens. However, they stated that serving corporate customers with large DDI ranges would make it unrealistic to await acknowledgement from Ofcom before a new 1k level is used, as that would cause delays for end users.
- 5.3 Ofcom expects that CPs will use numbering in an efficient manner in accordance with their obligations, but believes that the arrangements for issuing geographic numbers in Standard Areas should be pragmatic in order to avoid over-burdening stakeholders and causing potential end user delays. Therefore, Ofcom clarifies that CPs do not need to gain permission to open a new F-Digit sub-range in a 10k number block. CPs should, however, only open new 1k sub-ranges when it is necessary to do so, and they will be asked to keep Ofcom abreast of number utilisation from time to time. This approach allows multiple 1k parts of a 10k block to be opened to serve customers with large DDI ranges. Ofcom has therefore decided to maintain the obligation as proposed in the July document.
- 5.4 One confidential response suggested that the definition of 'Standard Area' should be amended slightly so as to more closely mirror the wording of the definition for 'Conservation Area'. The definitions proposed in the consultation were:
- 'Conservation Area' means a geographic area that Ofcom believes has a realistic expectation of number exhaustion within five years; and
  - 'Standard Area' means a geographic area that is not forecast to be at risk of exhaustion within the next five years.
- 5.5 Ofcom accepts that a slight change could clarify that, for Standard Areas, it is Ofcom that is forecasting the risk of number exhaustion. Therefore Ofcom has decided to modify the Standard Area definition to instead read<sup>32</sup>:
- 'Standard Area' means a geographic area that Ofcom believes does not have a realistic expectation of number exhaustion within the next five years.
- 5.6 Ofcom has also decided to slightly amend the definition of Conservation Area in order to clarify that it is the next five years that is the relevant forecasting period. The

<sup>32</sup> See Part 1 (Interpretation) of the Plan, at <http://www.ofcom.org.uk/telecoms/ioi/numbers/>

Conservation Area definition in the Plan will now therefore read as follows, more closely mirroring the Standard Area definition:

- 'Conservation Area' means a geographic area that Ofcom believes has a realistic expectation of number exhaustion within **the next** five years.

## Section 6

# Ofcom's decisions and next steps

## Introduction

- 6.1 This Section gives an overview of the decisions and proposals in this document, by:
- summarising the policy decisions described in this statement;
  - recapping on the consultation process for amending GC17; and
  - explaining the steps for various parties to take as a consequence of those policy decisions, and in what timescales.
- 6.2 This Section also gives a progress update on other work arising from Ofcom's strategic numbering review.

## Decisions on 03 numbers

- 6.3 Ofcom is amending the Plan to introduce 03 numbers, which will be designated as being priced in the same way as geographic numbers. Customers will pay no more to call 03 numbers than they would pay to call a standard geographic 01 and 02 numbers (up to national rate). Calls to 03 numbers also will be treated like calls to calls to standard 01 and 02 numbers in respect of their inclusion in bundled minutes and whether they qualify for discount packages.
- 6.4 Revenue-sharing with end users will not be permitted on 03 numbers.
- 6.5 The restrictions on the use of 03 numbers are quite limited, allowing flexibility in how 03 calls are delivered in a technical sense. Some restrictions in the definition of 03 numbers were removed in response to consultation responses.
- 6.6 Ofcom is initially making available various 03 numbers, as shown in Figure 6.1.
- 6.7 Numbers beginning with 030 will be specifically made available for use by public services and other not-for-profit organisations. Ofcom will maintain guidance on its website on the type of bodies falling within this definition, to assist CPs with their decisions to allocate 03 numbers to end users<sup>33</sup>. Ofcom's guidance includes more types of organisation following comments received in consultation responses.
- 6.8 Some numbers beginning with 030 or 033 will be made available initially through a competitive selection process that commences three weeks from the date of this document, on 6 March 2007. Ofcom is also making it possible for end users who have numbers beginning with 084 and 087 to transfer to the equivalent number on the 03 number range. Full details on the allocation processes, and the timings involved, are provided in a separate document that we have published today<sup>34</sup>.
- 6.9 Ofcom is introducing Form S3 to enable CPs to apply for 03 numbers.

<sup>33</sup> See <http://www.ofcom.org.uk/consult/condocs/numbering03/030guidance/>

<sup>34</sup> See <http://www.ofcom.org.uk/consult/condocs/numbering03/03allocation/>

**Figure 6.1 The first 03 sub-ranges to be available for allocation**

Numbers	For use by
0300	Public services and other not-for-profit organisations
0303	Public services and other not-for-profit organisations
0306	Public services and other not-for-profit organisations
0330	any organisation or end user
0333	any organisation or end user
034X	specific users currently using the equivalent 084X numbers
037X	specific users currently using the equivalent 087X numbers

### Decisions on 070 numbers

- 6.10 Ofcom is amending the Plan so that calls to personal numbers will be subject to an obligation if the price for a call to a personal number exceeds 20p per minute (or 20p per call, as appropriate). If OCPs choose to price calls to personal numbers above this level then a free-to-caller pre-call announcement must be provided to their callers.
- 6.11 The minimum content that this pre-call announcement must state is the maximum price paid to call personal numbers by customers of the CP on whose network the call is being originated. OCPs will, however, be free to provide more specific information on call charges in their pre-call announcement.

### Decisions on geographic numbers

- 6.12 Ofcom is amending the Plan definitions of 'Standard Area' and 'Conservation Area' to allow conservation measures to be introduced where exhaustion is anticipated within the next five years, to improve geographic number utilisation.
- 6.13 Ofcom is also promoting higher number utilisation in Standard Areas by requiring that CPs should use up a whole tenth of the numbers allocated in a block of 10,000 numbers (i.e., a '1k', or 'F-digit', part of a '10k' block) before another tenth is opened for use.

### Consultation on amending General Condition 17

- 6.14 Ofcom is consulting from the date of this document until **14 March 2007** on a proposed amendment to General Condition 17 in respect of the 03 and 070 number ranges. This consultation is being conducted with the intention of ensuring that the requirements in the Plan for these number ranges are enforceable on all OCPs.

- 6.15 Annex 5 provides details of the proposed amendment. Annexes 6-9 describe the process for responding to this consultation.

### The implementation of Ofcom's decisions

- 6.16 The legal changes now being made as a result of Ofcom's decisions as described in paragraphs 6.3 to 6.13 are set out in more detail in Annexes 2 to 4. Annex 2 explains how these decisions meet the relevant legal tests.
- 6.17 Various practical steps also need to be taken by different parties to implement Ofcom's decisions. Notable steps at this stage are that:
- SPs and other end users should discuss with CPs their demands for specific 03 numbers and the commercial arrangements involved;
  - CPs should apply to Ofcom from 6 March 2007 (at the earliest) for the various types of 03 number that are being issued;
  - CPs should, when distributing 030 numbers to their customers, act according to Ofcom's eligibility guidance for 030 numbers;
  - CPs will need to retain a migration path for 084 and 087 numbers on the equivalent 034 and 037 ranges;
  - CPs should start to consider, as appropriate in conjunction with their network provider, how to provide 070 pre-call announcements and the specific content of such announcements when their customers are making calls to 070 numbers; and
  - CPs with existing and/or new '10k' blocks in geographic Standard Areas should no longer open new F-digit parts of such 10k blocks unless all of the numbers in previously-opened F-digit parts have been utilised.

### Other work from Ofcom's strategic numbering review

- 6.18 The policy decisions described above form part of the implementation work arising from Ofcom's broad review of numbering strategy. Various other strands of related work are taking place, including:
- **Developing a consumer protection test for number allocations.** Ofcom is currently considering the details of such a test;
  - **Minimising the (localised) need for more geographic numbers.** Ofcom monitors geographic number availability in detail on an ongoing basis, to target areas that need particular attention to avoid the need for number changes or for additional 'overlay' codes. Indeed, Ofcom will be consulting very shortly on designating further geographic codes with Conservation Area status;
  - **Reviewing the service descriptions in the Plan.** Ofcom plans to consult later in 2007 on proposals to do this. This general approach has already begun with the decisions taken on 03 and 070;
  - **Reviewing the use of personal numbers.** At the end of 2007 Ofcom plans to review demand for both personal numbers and 'individual numbers' (i.e., ones allocated directly by Ofcom to end users) with a view to opening up the 06



number range for those services if demand confirms that as the right approach;  
and

- **Reviewing the case for charging for telephone numbers.** Ofcom does not plan to introduce charging in the near future, but – in line with the approach in the July document – Ofcom continues to believe that there may be a role for charging in the future to promote efficient use of numbers.

6.19 Ofcom acknowledges that some comments were made on a number of these issues in response to the July document, including on the potential service descriptions for 08 numbers and in relation to applying similar measures to number ranges other than 03 and 070. Whilst out of the scope of this statement, stakeholders will have opportunities to comment on these issues as specific proposals are put forward.

## Annex 1

# Impact assessments

## Introduction

- A1.1 The analyses presented in this Annex represent impact assessments as defined in section 7 of the Communications Act 2003 ('the Act').
- A1.2 Impact assessments provide a valuable way of assessing different options for regulation and showing why the preferred option was chosen. They form part of best practice policy-making. This is reflected in section 7 of the Act, which means that generally we have to carry out impact assessments where our proposals would be likely to have a significant effect on businesses or the general public, or when there is a major change in Ofcom's activities. However, as a matter of policy Ofcom is committed to carrying out and publishing impact assessments in relation to the great majority of our policy decisions. For further information about our approach to impact assessments, see the guidelines, Better policy-making: Ofcom's approach to impact assessment, which are on our website:  
[http://www.ofcom.org.uk/consult/policy\\_making/guidelines.pdf](http://www.ofcom.org.uk/consult/policy_making/guidelines.pdf)

## Impact assessment for (03) UK-wide Numbers (see Section 3 for more details)

### The citizen and/or consumer interest

- A1.3 Ofcom's main concern in this policy is to ensure consumer confidence in calling the new 03 UK-wide Number range. To a large degree this confidence relates to the pricing basis of calls to such numbers. It also relates to consumer concerns about revenue-sharing, the use of which (especially by certain types of organisation) has often been criticised in relation to non-geographic numbers. In addition, Ofcom wants to ensure through its policy decision that consumers get the services that they want by calling these numbers.

### Ofcom's policy objective

- A1.4 Ofcom's main objective is to ensure that 03 numbers are made available in a way that ensures appropriate consumer confidence, by ensuring reasonable consumer certainty about what they will pay for 03 calls and by avoiding revenue-sharing on the 03 range. Ofcom also aims to provide a 03 number range that enough SPs will want to use to offer their services. To a large degree this objective would be served by promoting consumer confidence in 03 numbers. It will also be served by providing the kind of numbers that SPs will want to use.
- A1.5 The timeframe over which SPs might migrate to 03 services is uncertain due to the many legacy services on existing numbers, but Ofcom wants to have a structure for 03 numbering that encourages voluntary migration. In this way the creation of 03 numbers can raise consumer confidence in the Plan more generally, by allowing calls to 08 numbers to be based on a limited number of sub-ranges, with a pricing approach and SP profile that is distinct from 03 calls.

### Analysis of policy proposals

- A1.6 Ofcom decided in the July document to create 03 numbers. This was its solution for how best to provide more numbers for those services currently using the 0844, 0845,

0870 and 0871 number sub-ranges. Ofcom decided that the new 03 range would sit alongside the existing 084 and 087 sub-ranges, which would continue to have new numbers allocated in the long term for revenue-sharing services. This option allowed a clear distinction between revenue-sharing and non-revenue-sharing numbers and allowed for simplification of the Plan in general going forward.

- A1.7 In response to Ofcom's proposed Plan service description for 03 numbers in the July document, there were two issues on which some stakeholders notably disagreed. These were the requirement to price 03 numbers at the same rate as geographic numbers, and the opening of the 0300 sub-range. Stakeholders did not disagree with Ofcom's broad approach in terms of the proposed revenue-sharing prohibition or technical characteristics of the range, so those aspects are not discussed further here. Similarly, Ofcom's proposal to allow 'migration sub-ranges' in the 03 range was broadly supported so is not assessed further here.
- A1.8 Ofcom's proposal on the pricing of 03 numbers did not envisage the provision for prices to exceed geographic call prices, for example where a pre-call announcement is given before the call. Such a provision could be considered an alternative option to Ofcom's proposal.
- A1.9 The arguments that could be made for Ofcom's proposal on 03 pricing are:
- It would create consumer certainty and confidence for the new 03 range, by linking the prices consumers pay to the geographic number range that they generally trust. It would therefore avoid the problems with consumer understanding and confidence on the current 08 number range;
  - It would provide an incentive for certain SPs to migrate from 08 numbers, so responding to the needs of many SPs, including public services;
  - It would enable the creation of distinct and straightforward 03 and 08 number ranges, thereby allowing the 03 and 08 ranges to be identified with different types of services and so supporting broader understanding of the Plan;
  - It would avoid the alternative of re-organising services across the 08 range, with the aim of increasing consumer understanding and confidence but with limited assurance of success.
- A1.10 The arguments that could be made against Ofcom's proposal on 03 pricing are:
- It would constrain OCPs' pricing through the link to geographic prices;
  - It would cause them to lose revenue as services would migrate from 08 to 03 numbers;
  - It would cause OCPs to originate calls at a loss, or to cross-subsidise 03 calls;
  - A pre-call announcement would be more a proportionate approach;
  - It would discriminate against OCPs with higher origination costs; and
  - It would be inconsistent with Ofcom's decisions on pricing of 0870 and 070 calls.
- A1.11 In terms of opening the 0300 number range, the alternative option is to open a different 03 sub-range instead.

A1.12 The arguments that could be made for opening the 0300 number range are that:

- It would include a memorable 03 sub-range that encourages early consumer awareness of the 03 range and SP migration to the range;
- It is not the only 03 sub-range that is being opened. The potential association of 0300 numbers with 0500 and 0300 ones may be limited as several types of 03 numbers are being opened, and as the service characteristics and pricing basis for consumers will be the same on each of those 03 sub-ranges;
- Feedback from public bodies, as well as one consultation response, indicate that it could be a popular sub-range on which to offer services; and
- Large CPs would have an advantage in obtaining favoured 0300 number blocks if they are opened in future (assuming they are opened on the basis of need on a first come, first served basis) as they are more likely to use up their initial allocations of 03 numbers.

A1.13 The arguments that could be made against opening the 0300 number range are that:

- It would create a risk of consumer confusion with 0500 and 0800 number ranges, especially at a time when Ofcom is trying to introduce 03 as a trusted range;
- It is not needed as many other 03 sub-ranges are available, including other 030 sub-ranges for public services and other not-for-profit bodies.

### **Ofcom's decisions**

A1.14 Ofcom's decision on pricing is to maintain its decision to require calls to be priced at geographic rates (up to national rate), including in respect of requiring them to be included in bundled minutes and discount schemes.

A1.15 There are various reasons for this decision. Ofcom believes that clear benefits would derive in terms of consumer certainty and confidence through requiring prices to be charged at geographic levels. Ofcom believes that linking 03 prices to unregulated 01 and 02 calls gives OCPs flexibility in their pricing and does not believe that they would lose revenue from Ofcom's proposal. Ofcom also believes that total call volumes will rise, partly as consumers will be more willing to make calls to 03 numbers than some current 08 numbers. Ofcom does not believe that losses will be made in originating 03 calls, and does not accept that there is policy inconsistency or discrimination in this pricing decision. Ofcom also does not believe a pre-call announcement would deliver the required level of consumer certainty and confidence and so it is not a suitable approach.

A1.16 Ofcom's decision in terms of the use of 0300 numbers is to implement its July 2006 proposal to open that sub-range. This is because it appears to be a sub-range that is in demand and Ofcom believes that, as only one of several sub-ranges, it will help rather than hinder early awareness of the 03 range. Ofcom also believes that now is a better time to make available these numbers, as making it available by itself in future could favour larger providers and, indeed, could suggest a different pricing basis to the other 03 sub-ranges with which it could otherwise have been introduced.

## **Impact assessment for Personal Numbers (see Section 4 for more details)**

### **The citizen and/or consumer interest**

A1.17 The key consumer issue to be considered is how to ensure appropriate consumer protection for those calling personal numbers. Ofcom wishes to address the lack of tariff transparency and the lack of distinction between personal numbers and mobile numbers. We also want to take into account the interests of personal number customers (and providers), who may be disadvantaged with changes to such services. These aims can be reconciled as better transparency for genuine personal numbering services has the potential to stimulate demand for such numbers and, by establishing a clearer identity for these numbers, to enable consumers to feel confident to call them.

### **Ofcom's policy objective**

A1.18 Ofcom made a decision in July 2006 on the broad future of the location in the Plan of personal numbering services. In this document we are seeking to address personal number abuse by putting in place measures in the short term to ensure that consumers are protected by being made aware of the tariffs of calls to these numbers.

A1.19 The outcomes of our policy need to be considered in terms of achieving consumer protection and in terms of the impact on those providing and benefiting from personal numbering services.

A1.20 In deciding a specific price trigger obligation for 070 calls, Ofcom seeks to provide tariff transparency for consumers, but does not want to introduce disproportionate costs to provide pre-call announcements; such costs may be passed on indirectly to consumers.

### **Analysis of the different options**

A1.21 After an initial stage of consultation in the February consultation document, Ofcom presented two options in the July document for the form of a price trigger for 070 services. We have considered these options on the basis that any trigger should meet the following requirements:

- CPs will not actually be prevented from charging more than the price trigger. The trigger will simply define a maximum price level up to and including which no pre-announcement of the call price would be required;
- The pre-call announcement should be free to callers. This will enable them to choose to continue with the call without being charged; and
- The price trigger and pre-call announcement will apply no matter what OCP the call is being made from. This approach reflects Ofcom's general strategy to provide robust tariff transparency through the Plan, by having tariff descriptions that cover not just services from BT lines but from all other lines too.

### **Analysis of the different options**

A1.22 The arguments that could be made for a trigger of 20p per minute or per call are that:

- It would avoid the need for pre-call announcements on many calls;

- Any CP would still be free to charge above this level by providing a pre-call announcement;
- It would give a reasonable level of customer protection, as all calls charged above 20ppm or per call would trigger pre-call announcements; and
- This option is clear and straightforward to consumers and more simple to implement.

A1.23 The arguments that could be made for setting the price trigger at the highest charge that an individual customer would pay for a voice call to a mobile number are that:

- Many consumers might think this is what a 070 number might cost as there is confusion between 070 numbers and mobile numbers;
- Any CP would still be free to charge above this price level by providing a pre-call announcement;
- The price trigger would be customer-specific, being set at the rate that each individual customer would be charged for a call to an off-net mobile number at the peak rate outside of any call inclusive package or bundle of minutes; and
- The price trigger would vary directly according to the difference in call origination costs between communication providers' networks.

### **Ofcom's chosen option**

A1.24 Ofcom has decided to introduce a price trigger set at 20ppm or per call for calls to personal numbers. This option is simpler to implement and gives all callers to 070 numbers a sufficient degree of protection through reasonable information when calls exceed a certain price. This option was the more preferred in consultation responses.

A1.25 This option, due to its greater simplicity, should also be able to be implemented more quickly. Relative to its proposal in the July document, Ofcom has also reduced the minimum requirement for the content of the pre-announcement that OCPs must ensure that customers receive for calls above the price trigger level. This also makes this obligation easier for OCPs to implement more quickly. OCPs are still free to provide a more specific pre-announcement to their customers if they so wish.

### **Impact assessment for amending General Condition 17 in respect of 03 and 070 numbers (see Sections 3 and 4 for more details)**

A1.26 Ofcom's objective in proposing the amendment to GC 17 needs to be viewed in the light of the policy decisions it has made on the appropriate designations in the Plan for 03 and 070 numbers. Those policy decisions are already assessed separately. The impact to assess concerns the effective implementation of the policy decisions.

A1.27 The benefit of amending GC 17 is that Plan designations for 03 and 070 numbers would be enforceable on all CPs originating calls to these numbers. Our policy decision is that those designations should apply to all OCPs. Ofcom is consulting on a proposal to make this obligation enforceable by way of an amendment to GC17. Without the enforceable obligation, Ofcom considers that providers may not observe the 03 and 070 designations which would undermine the policy intention of these consumer protection measures.

A1.28 Whilst this amendment extends regulation, Ofcom does not favour the option of not implementing a change to GC 17. Without this change, Ofcom believes there would be undue risk to its strategic approach to raise confidence in the Plan as a whole.



## Annex 2

# The legal basis for the Plan changes, application form and proposed modification to General Condition 17

## Consultation on the proposed changes notified in the July document

- A2.1 Some of the strategic decisions in the July document required a modification to the Plan to bring them into effect. These decisions included:
- The opening and service designations of the new 03 UK-wide Number range; and
  - The establishment of a price trigger for calls to 070 Personal Numbers, in relation to which any calls priced above that level would have to be preceded by a free-to-caller pre-call announcement; and
  - The new definition of Conservation Areas and Standard Areas in relation to geographic numbers (01 and 02).
- A2.2 In addition to changes to the Plan, the decision to open the new 03 numbering range required consultation on a proposed application form S3 for 03 numbers (the “03 application form”).
- A2.3 Following that consultation process, the reasoning and effect of the decision to amend the Plan are set out in the following sections of this document.
- A2.4 In the July document, we also consulted on the designation of additional 07 numbers (071 to 075 inclusive) as mobile services and the immediate opening of the 075 range for mobile allocations. Ofcom has already made those changes to the Plan in September 2006<sup>35</sup> having taken account of stakeholders’ responses to the July document.

## Consultation on the proposed modification to GC 17 notified in this document

- A2.5 A further consultation is included in this document notifying Ofcom’s proposal to amend GC 17 that would make the designations applying to the new UK-wide Numbers (the 03 number range) and the amended designation for Personal Numbers (the 070 number range) enforceable obligations on CPs in their capacity as originators of calls to these numbers. The notification of Ofcom’s proposal for amending GC 17 is set out in Annex 5.
- A2.6 The consequence of the modification to GC 17 is that CPs would be obliged to use UK-wide Numbers and Personal Numbers in accordance with their designations in the Plan when allowing their customers to make calls to these numbers and Ofcom would be able to enforce non-compliance with the relevant service designation.

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<sup>35</sup> See <http://www.ofcom.org.uk/consult/condocs/numberingreview/statement/mobilenumbers/>

A2.7 The legal framework for the Plan modifications, direction on an application form and proposed modification to GC 17 are discussed below.

### **The legal framework**

A2.8 Ofcom regulates the communications sector under the framework established by the Act.

A2.9 The Act provides, amongst other things in relation to numbering, for the publication by Ofcom of the Plan and the ability for Ofcom to set General Conditions of Entitlement relating to Telephone Numbers (“Numbering Conditions”). The Act also sets out statutory procedures that apply when Ofcom wishes to make modifications to the Plan, the processes for the giving of directions under conditions such as the Numbering Conditions and the processes and tests that must be satisfied before setting or modifying the Numbering Conditions.

### **The National Telephone Numbering Plan (“the Plan”)**

A2.10 Section 56(1) of the Act states that:

"It shall be the duty of OFCOM to publish a document (to be known as "the National Telephone Numbering Plan") setting out—

- a) the numbers that they have determined to be available for allocation by them as telephone numbers;
- b) such restrictions as they consider appropriate on the adoption of numbers available for allocation in accordance with the plan; and
- c) such restrictions as they consider appropriate on the other uses to which numbers available for allocation in accordance with the plan may be put."

A2.11 The Act provides for Ofcom to review and revise the Plan. Section 56(2) states that:

"It shall be OFCOM's duty –

- a) from time to time to review the National Telephone Numbering Plan; and
- b) to make any modification of that plan that they think fit in consequence of such a review; but this duty must be performed in compliance with the requirements, so far as applicable, of section 60."

A2.12 Section 60 of the Act provides for the modification of provisions in the Plan and explains the procedures to be followed in order to conduct this review and make any modifications. Section 60(2) of the Act provides that:

"OFCOM must not revise or otherwise modify the relevant provisions unless they are satisfied that the revision or modification is —

- a) objectively justifiable in relation to the matters to which it relates;

- b) not such as to discriminate unduly against particular persons or against a particular description of persons;
- c) proportionate to what the modification is intended to achieve; and
- d) in relation to what it is intended to achieve, transparent."

A2.13 Section 60(3) further provides that:

"Before revising or otherwise modifying the relevant provisions, OFCOM must publish a notification —

- a) stating that they are proposing to do so;
- b) specifying the Plan or other document that they are proposing to revise or modify;
- c) setting out the effect of their proposed revisions or modifications;
- d) giving their reasons for making the proposal; and
- e) specifying the period within which representations may be made to OFCOM about their proposal."

### **The numbering application forms and numbering conditions (GC 17)**

A2.14 Section 45 of the Act gives Ofcom the power to set conditions:

"(1) Ofcom shall have the power to set conditions under this section binding the persons to whom they are applied in accordance with section 46.

(2) A condition set by Ofcom under this section must be either —

(a) a general condition...

(3) A general condition is a condition which contains only provisions authorised or required by one or more of sections 51, 52, 57, 58 or 64."

A2.15 Section 58 of the Act provides examples of the type of general conditions that Ofcom may set about the allocation and adoption of numbers, including procedures that apply in relation to applications for allocations of telephone numbers and procedures that regulate the use by a CP of telephone numbers not allocated to that provider.

A2.16 The General Conditions Notification that took effect on 25 July 2003 includes GC 17, which contains provisions relating to the allocation, adoption and use of telephone numbers. Clause 17.9 states that:

"When applying for an Allocation of Telephone Numbers, the Communications Provider shall:

- (a) use an appropriate application form as directed by the Director from time to time as he thinks fit;
- (b) provide such information as is required by such application form."

- A2.17 By virtue of the Transitional Provisions, references to the Director in the Numbering Condition should be read as references to Ofcom.
- A2.18 GC 17 also contains a range of other obligations, such as general prohibitions on adoption and use; requirements in connection with the adoption of telephone numbers; and conditions about the withdrawal of numbers that have been allocated.
- A2.19 Before Ofcom can set or modify a general condition Ofcom must satisfy the requirements set out in sections 47(1), which provides that Ofcom must not set a condition under section 45, or modify such a condition, unless they are satisfied that the condition (or as the case may be) the modification satisfies the test in subsection (2). The test in section 47(2) is that the condition or modification is:
- "a) objectively justifiable in relation to the networks, services, facilities, apparatus or directories to which it relates;
  - b) not such as to discriminate unduly against particular persons or against a particular description of persons;
  - c) proportionate to what the modification is intended to achieve; and
  - d) in relation to what it is intended to achieve, transparent."
- A2.20 Section 49 applies to directions and approvals that affect the operation of conditions set under section 45. Before making a change to an appropriate application form, Ofcom must satisfy the tests set out in section 49(2) of the Act as follows:
- "A person must not give, modify or withdraw the direction, approval or consent unless he is satisfied that to do so is:
- a) objectively justifiable in relation to the matters to which it relates;
  - b) not such as to discriminate unduly against particular persons or against a particular description of persons;
  - c) proportionate to what the modification is intended to achieve; and
  - d) in relation to what it is intended to achieve, transparent."
- A2.21 Section 49(4) further provides that:
- "Before the direction, approval or consent is given, modified or withdrawn, a notification must be published -
- a) stating that there is a proposal to give, modify or withdraw it;;
  - b) identifying the person whose proposal it is;
  - c) setting out the direction, approval or consent to which the proposal relates;
  - d) setting out the effect of the direction, approval or consent or of its proposed modification or withdrawal;
  - e) giving reasons for the making of the proposal; and

f) specifying the period within which representations may be made about the proposal to the person whose proposal it is."

### **Ofcom's general duty as to telephone numbering functions**

A2.22 Ofcom has a general duty under section 63(1) of the Act in carrying out its numbering functions:

"a) to secure that what appears to them to be the best use is made of the numbers that are appropriate for use as telephone numbers; and

b) to encourage efficiency and innovation for that purpose."

### **General duties of Ofcom**

A2.23 In addition to its general duties as to telephone numbering functions, the principal duty of Ofcom to be observed in the carrying out of any of its functions is set out in section 3(1) of the Act as the duty:

"a) to further the interests of citizens in relation to communications matters; and

b) to further the interests of consumers in relevant markets, where appropriate by promoting competition."

A2.24 As part of the fulfilment of these principal duties, it is Ofcom's responsibility to secure the availability throughout the UK of a wide range of numbering arrangements, having regard to the interests of consumers in respect to choice, price awareness, and consumer protection.

### **Duties for the purpose of fulfilling Community obligations**

A2.25 When carrying out its regulatory functions such as considering revisions to the Plan and/or numbering application forms, Ofcom must also take into account the six Community requirements as set out in section 4 of the Act. These include the requirement to promote competition in the provision of ECN and ECS, and the requirement not to favour one form of network, service or associated facility or one means of providing or making available such network, service or associated facility over another, as well as the requirement to promote the interests of European citizens.

A2.26 The various legal tests and duties, and how Ofcom has complied with them in consulting on the proposals in this consultation document, are set out below.

### **Legal tests**

A2.27 It is Ofcom's duty, when modifying the Plan, to show how it considers that its modifications comply with the legal tests in the Act.

A2.28 The modifications to the Plan and application form changes:

(a) provide for a new number range "03" to be made available for allocation to persons that wish to offer a UK-wide Number, which will have some

functionality in common with existing non-geographic numbers such as 08;

- (b) require that the charge for “03” numbers will not exceed the charge that the caller would pay if they were instead calling a UK Geographic Number, with calls to 03 numbers treated as inclusive call minutes if the customer has inclusive minutes to UK Geographic Numbers remaining in their call package, and included in any discount structures that apply to UK Geographic Numbers, that is, the pricing characteristics of 03 numbers will be the same as if they were 01 or 02 geographic numbers;
- (c) prohibit revenue-share arrangements with SPs on numbers in the 03 range;
- (d) require that numbers commencing with 030 are to be used by SPs classed as public sector bodies or not-for-profit bodies;
- (e) provide that numbers commencing with 033 may be used by any person wishing to offer an 03 number;
- (f) provide that numbers commencing with 034/037 may only be Adopted or otherwise used by CPs where a Customer is migrating from an 084/087 number that is exactly identical except for the second digit (a “matching 084/087 number”). An 034/037 number is not to be Adopted or otherwise used by CPs where a matching 084/087 number is not in use by a Customer;
- (g) introduce a new S3 application form to recognise an application requesting the allocation of numbers in the 03 UK-wide Number range;
- (h) implement on the 070 personal number range a price trigger of 20 pence per minute or per call, above which a free-to-caller pre-call announcement must be provided. The pre-call announcement must at least state the maximum charge that could be incurred by a customer of the underlying network operator for a call to a personal number. Providers will not be prevented from offering customers a more detailed pre-call announcement that provides more specific call charges, for example, call charges that relate to the maximum call costs that the reseller’s customers would face;
- (i) set out a new definition of a Conservation Area and introduce a definition for Standard Areas;
- (j) restate the areas that are identified as having Conservation Area status under the existing definition, with their status under the new definition of Conservation Area; and
- (k) specifically require communications providers to use an entire 1k part (i.e., an ‘F’ digit) of a 10k block for number allocations in Standard Areas before opening further 1k parts of that block.

A2.29 Measures (a) through (g) are changes required to open the 03 range and specific sub-ranges in that range. Measure (h) introduces a price trigger for calls to 070 numbers and for charges exceeding the price trigger a free-to-caller pre-call announcement is to be provided to the customer. Measures (i) through (k) relate to

the ongoing management of geographic number demand and the potential for exhaustion of some geographic area codes.

- A2.30 A further consultation is included in this document, which is relevant to the operation of UK-wide Numbers and Personal Numbers. The proposed modification is to General Condition 17 (“Allocation, Adoption and Use of Telephone Numbers”) adding a new condition 17.13 requiring CPs to adhere to the designations for UK-wide Numbers and Personal Numbers in connection with their customers making calls to those numbers.
- A2.31 The changes that have been made and the proposed modification to GC 17 are considered against the legal tests below.

### **Modifications for introducing the 03 range and 03 application form (measures (a), through (g))**

- A2.32 Ofcom’s basis for introducing the 03 range as an alternative range for numbers currently provided on the 08 range is discussed in detail in Section 3 and summarised below.
- A2.33 The new UK-wide Number (numbers starting with 03) range (measure (a)) is intended to be taken up by end users who wish to offer a number to their customers across the whole of the UK at a cost that its customers will understand and have confidence in.
- A2.34 For any SPs considering a move from an existing number to a new number in the 03 range, there will be costs in adopting new numbers, both at the CP and SP level. Ofcom is cognisant of these costs and in opening up various sub-ranges in the 03 range has endeavoured to offer a series of options that will encourage early take-up of 03 numbers and make migration as attractive as possible.
- A2.35 Ofcom has proposed that 030 numbers will be available specifically for SPs that meet certain criteria and will include public sector bodies, registered charities and other not-for-profit bodies (measure (d)). Numbers in the 033 range will be available for use by private sector bodies and other end users seeking the functionality that the 03 range will offer (measures (a)). Ofcom has also provided a migration path from certain 08 numbers to 03 numbers for end users who wish to migrate from an 084 or 087 number to the matching 034 or 037 number (that is, matching in all respects except for the ‘3’ and ‘8’ second digit). Providers with end users in the 084/087 sub-ranges will be able to request a corresponding 034/037 allocation so that their end users may have the option to alter only one digit of their telephone number in moving from the 08 to 03 range (measure (f)).
- A2.36 Ofcom believes there will be benefits to all consumers by creating a new non-geographic range whose pricing characteristics inspire confidence in consumers and that applies to all providers. Ofcom is therefore requiring that calls to 03 numbers from all providers should not exceed the charge that applies to calls to a normal geographic number (measure (b)). The 03 range will also not allow revenue share arrangements (measure (c)).
- A2.37 Ofcom has created the 03 application form which is to be used by providers wishing to apply to Ofcom for an allocation of UK-wide Numbers (measure (g)).
- A2.38 To open a new range requires modifications to the Plan to identify the new range and to explain the features and obligations that attach to numbers in these ranges. Ofcom



has chosen 03 for a number of reasons including the fact that this range has not been used and has no prior associations, understandings or expectations about how it will operate. In addition, its proximity to the 01 and 02 geographic ranges should help consumers make an association with the geographic charges that will be reflected in the charges for calls to 03 numbers.

A2.39 The measures discussed above are identical or substantially similar to the measures proposed in the July document. The slight modifications (for example the changes to the sub-ranges to be allocated) are clarification changes or the result of various comments received in response to the July document. Ofcom is satisfied that the proposals for modifications to the Plan in relation to opening the 03 range and introducing the 03 application form(s) meet the tests set out in sections 60(2) and 49(2) of the Act being:

A2.40 **objectively justifiable**, in that these changes give effect to Ofcom's strategy to create a new, simple and easily identifiable number range for end users who wish to provide a national service to their customers, which has the additional benefit of the providing the same level of consumer confidence and trust that attaches to geographic numbers. The 03 range will also serve to reduce the demand pressures on some 08 numbers and enable an increase in transparency of charging by creating a clearer distinction between revenue-sharing and non-revenue-sharing numbers for the long term. Ofcom believes the new 03 range should have a strong identity from the start to minimise the likelihood of problems with transparency and trust that have developed over time on other non-geographic number ranges. The decision to open several 03 sub-ranges, including a sub-range specifically for public sector and not-for-profit bodies, a general sub-range, and migration sub-ranges will give end users a wide choice of options to move from existing 08 numbers to a suitable memorable 03 number, for example, a number that only requires a one digit alteration at the front of the number;

A2.41 **not unduly discriminatory**, in that all CPs will be eligible to apply for telephone numbers in the 03 range. Ofcom has proposed restricting the allocation of certain 084/087 ranges for providers who have corresponding 084 and 087 allocations to enable them to accommodate requests from their end user customers to provide matching 03 ranges. Ofcom does not consider this to be unduly discriminatory because any CP with end users on 08 ranges will have this opportunity to apply for a matching 03 allocation. Ofcom considers that numbers in the 034 and 037 blocks are likely to be attractive for end users wishing to retain some similarity to an existing number, but equally there will be memorable 030 and 033 numbers available for allocation and adoption, which may be regarded as a more attractive option for end users. The service and tariff designations for 03 numbers will apply to all CPs depending on their role in providing that service, that is, the service descriptions attach to all CPs where they are terminating 03 calls and the pricing designations apply to all CPs when they allow their customers to make calls to these numbers. The service designation addresses technical aspects of the 03 range and the pricing designation requires that the prices for 03 numbers are linked to the prices for these numbers to the prices charged for calls to 01 and 02 numbers, including where such calls are provided as part of a discount or bundled minute package. Ofcom will review the take-up of 03 numbers and make any further decisions about additional ranges where necessary;

A2.42 **proportionate**, in that the proposed modifications to the Plan make available a sufficient range of numbers to encourage early migration without requiring anyone to move away from an existing number within a stated timeframe. The modifications provide a further option for end users who wish to move away from 08 numbers onto

a newly established number range. The service and tariff designations for 03 numbers (UK-wide Numbers) are proportionate in that they are the most appropriate way to ensure that end users will have the necessary confidence to commit resources to migrating to the new range and, conversely, that consumers will have a sufficient degree of certainty about and confidence in the price of the service to use that service; and

- A2.43 **transparent**, in that the modifications to the Plan, and its effects, are set out in this document.
- A2.44 Ofcom considers that it is fulfilling its general duty as to telephone number functions as set out in section 63 of the Act in making its proposals by:
- A2.45 **securing the best use of appropriate numbers**, the proposal will alleviate demands on 08 numbers, therefore increasing the clarity of meaning about 08 number tariffs for the long term, and it will offer a new range with a simple tariff structure that consumers will be able to understand and trust. The 03 range is one of a number of unused ranges and there are other number ranges still available should they be required in the future, as well as most of the number capacity in the 03 range; and
- A2.46 **encouraging efficiency and innovation**, in that the proposals ensure that sufficient and appropriate numbering resources are available to meet communication providers' (and end users') demands thereby encouraging innovation.
- A2.47 Ofcom considers that its proposal to modify the Plan is consistent with its general duties in carrying out its functions as set out in section 3 and section 4 of the Act. In particular, it considers that the proposals further the interests of citizens in relation to communications matters and consumers in relevant markets by recognising the demand for and providing a new range of telephone numbers that consumers will easily understand and where similar groups of end users will start to congregate, thereby creating recognition of a new number range for contacting public and private sector services within the UK.

### **Modifications to introduce a price trigger and pre-call announcement for the 070 range (measure (h))**

- A2.48 Section 6 discusses Ofcom's proposals for Personal Numbers (numbers provided on the 070 range). Ofcom has evidence of high and continued levels of complaints about consumer scams and abuses conducted using 070 numbers. In the absence of any intervention to create enforceable obligations about the service designations for these numbers, Ofcom would expect these complaints to continue. The majority of consumers are unfamiliar with personal numbering services and mistakenly think 070 numbers are mobile numbers, for example, in instances where missed calls from a 070 number are recorded on a consumer's mobile. As a proportion of total calls, the volume of calls to 070 represents around 0.01 per cent. However, since 2004 the number of complaints to the Ofcom Contact Centre about personal number telephone services has accounted for between about one and three per cent of complaints per month of total complaints about telephone services.
- A2.49 Ofcom acknowledges there are genuine providers and users of personal numbering services but it is clear that these numbers are also used in scams. Currently there is considerable flexibility as to the underlying tariffs yet no visibility for consumers in the Plan.

- A2.50 To improve transparency about the costs of calling these numbers Ofcom has decided to amend the Plan as it relates to 070 numbers and introduce a price trigger that is intended to apply from 1 September 2007. From that point onwards providers will not be prevented from pricing in excess of the trigger level but they will be required to notify callers in advance of the call with an announcement that at least informs the caller of the maximum price that could be charged to a customer of the underlying network provider. CPs will be free to offer a more detailed price announcement that indicates in more detail how much a caller will pay for the service.
- A2.51 Ofcom is satisfied that the modification to the Plan in relation to introducing a price trigger and pre-call announcement for Personal Number calls meet the tests set out in sections 60(2) of the Act being:
- A2.52 **objectively justifiable**, in that the change will increase the degree of customer protection for numbers that are not well understood by consumers. Requiring the pre-call announcements to be free to the caller supports tariff transparency and avoids further damage to consumer confidence in personal numbers, as callers will not directly incur costs to acquire tariff information. Making this obligation apply to all CPs ensures that customers of all CPs will benefit from an increase in tariff transparency. Ofcom recognises that implementing pre-call announcements imposes costs on CPs, and has therefore given CPs the opportunity to implement a generalised pre-call announcement and a sufficient timeframe to prepare for this requirement. CPs may choose to adopt a more specific pre-call announcement, but the most basic requirement for the announcement will be to inform consumers of the maximum price that would be faced by customers of the underlying network provider;
- A2.53 **not unduly discriminatory**, in that the changes will apply to all CPs who offer the capability to call 070 numbers;
- A2.54 **proportionate**, in that the proposed modification to the Plan is a measure that Ofcom believes is necessary to address the high levels of consumer detriment by bringing tariffs to the attention of consumers, where they exceed a certain level. As discussed in this document, Ofcom has set a minimum level of specificity for the pre-call announcement that should be technically achievable for all providers, with the option for providers to be more specific if required. Further, there will be no impact on providers where calls do not exceed the price trigger level; and
- A2.55 **transparent**, in that the modifications to the Plan, and its effects, are set out in this document.
- A2.56 Ofcom considers that it is fulfilling its general duty as to telephone number functions as set out in section 63 of the Act in making its proposals by:
- A2.57 **securing the best use of appropriate numbers**, there is no threat of exhaustion to 070 numbers given current levels of demand. The proposal does not alter the availability of these numbers, rather it specifies some restrictions on how these numbers may be used; and
- A2.58 **encouraging efficiency and innovation**, the proposal requires providers to make available certain tariff information about the cost of these calls. The minimum level of information required is the maximum amount that callers would pay as a customer of the underlying network provider.

A2.59 Ofcom considers that its proposal to modify the Plan is consistent with its general duties in carrying out its functions as set out in section 3 of the Act and with its section 4 duties, in particular the duty to promote the interests of all persons who are citizens of the European Union. The proliferation of non-genuine uses of numbers does not promote the interests of European Union citizens and these measures are designed to inform consumers of the tariffs they may face. Ofcom considers that the proposals further the interests of citizens in relation to communications matters and consumers in relevant markets by making the costs of these calls more transparent.

### **Modifications in relation to managing geographic numbering (measures (i) through (k))**

A2.60 As discussed in the July document, Ofcom's approach to managing demands on geographic numbers is to take actions it believes will minimise the chance of consumers having to change their geographic number or dialling behaviour in the future.

A2.61 To achieve this, Ofcom has altered the Plan's definition of Conservation Areas as they relate to the supply of geographic numbers commencing with 01 and 02. The change in definition extends the forward-looking view to cover areas that Ofcom predicts will have a reasonable expectation of running out of available numbers in the next five rather than two years. Ofcom has also introduced the category of Standard Areas, which applies to all other area codes not designated as Conservation Areas (i.e., areas where number availability is not forecast to be at risk within the next five years) (measures (i) and (k)).

A2.62 The consequence of this change in definition is that the geographic areas set out in Appendix A of the Plan are now identified as having Conservation Area status or Standard Area status. The previous distinction between Type A and Type B Conservation Areas no longer applies and the previous Type A Areas retain their status as Conservation Areas. The table in Appendix A has been replaced with a new table in which geographic areas with Conservation Area status are instead indicated with a "Y" and Standard Areas are blank (measure (j)).

A2.63 As noted in Section 5, Ofcom has adopted a forecasting model that will be used as a tool to evaluate the likelihood of numbers reaching exhaustion within certain timeframes. The results from Ofcom's modelling and adopting the new definition indicated in July 2006 that the number of new Conservation Areas needed from July 2006 should fall within a range of 55 to 77 areas. Ofcom will continue to run the forecasting model at regular intervals to see whether areas would qualify as Conservation Areas and will consult on these proposals as and when they arise.

A2.64 Consistent with previous practices for Type A Conservation Areas, numbers will continue to be allocated to providers in 1k blocks. In Standard Areas, as with the former Type B areas, allocations will continue to be made in 10k blocks. However, in order to manage these numbers efficiently and facilitate possible future moves to conservation area status, a provision has been included in Part B (3.1.7) of the Plan requiring providers to use numbers allocated in 10k blocks in Standard Areas in a specific way, by using up a whole 1k part of that block (i.e., an 'F' digit) before opening another 1k part of that 10k block. This applies to new allocations, and to existing allocations for which unused 1k parts of 10k blocks are available. Paragraphs 5.2-5.3 provide further clarification about this restriction.

A2.65 Ofcom believes these demand-side measures are the optimal way to manage numbers, maintain stability and avoid the impact of supply side measures.

- A2.66 The modifications to the Plan in connection with geographic numbers are set out in Annex 3 and Ofcom is satisfied that these meet the tests set out in section 60(2) of the Act being:
- A2.67 **objectively justifiable**, in that the modifications will help ensure the long-term availability of sufficient numbering resource to meet communication providers' requirements and to promote competition and consumer choice. The modification to the Plan is necessary to ensure that Ofcom has an effective and efficient way to balance the continued demand against imminent exhaustion issues that some areas are facing;
- A2.68 **not unduly discriminatory**, as all CPs eligible to apply for telephone numbers will be subject to the modifications to the Plan and will all be required to manage number allocations efficiently and effectively;
- A2.69 **proportionate**, in that the modifications to the Plan are necessary to conserve geographic numbers in a way that Ofcom considers will ensure that providers and users of geographic numbers are subjected to the minimum possible disruptive changes; and
- A2.70 **transparent**, in that the Notification making the modifications to the Plan, and its effects, are set out in this document.
- A2.71 Ofcom considers that it is fulfilling its general duty as to telephone number functions as set out in section 63 of the Act in taking its decisions by:
- A2.72 **securing the best use of appropriate numbers**, the decisions ensure that optimal use is made of the most limited geographic numbering resources, and that conservation measures are instigated in sufficient time to ensure as far as possible that appropriate numbers are available for allocation; and
- A2.73 **encouraging efficiency and innovation**, in that the decisions ensure that sufficient and appropriate numbering resources are available to meet communication providers' demands thereby encouraging innovation. They improve efficiency in number use as they more closely align allocation to demand, improving utilisation rates.
- A2.74 Ofcom considers that its decision to modify the Plan is consistent with its general duties in carrying out its functions as set out in section 3 of the Act. In particular, it considers that the decision furthers the interests of citizens in relation to communications matters and consumers in relevant markets by ensuring that the supply of geographic telephone numbers is maintained for as long as possible such that it avoids or delays the introduction of disruptive measures such as overlay codes.
- A2.75 In making the modifications to the Plan, Ofcom has also considered the Community obligations set out in section 4 of the Act, particularly the requirement to promote the interests of all persons who are citizens of the European Union. Taking measures to conserve geographic numbers benefits citizens throughout the European Union by making more efficient use of limited numbering resources, offsetting the need for more disruptive measures to ensure continued availability.

## Proposal to modify GC 17

- A2.76 Under section 58(1)(b) general conditions may include conditions that regulate the use by a CP, for the purpose of providing an electronic communications network or electronic communications service, of telephone numbers not allocated to that provider. Accordingly, Ofcom proposes to introduce a new requirement in GC 17 that requires CPs to observe the designations when using these numbers to allow their customers to make calls to UK-wide Numbers and Personal Numbers. The designations for Personal Numbers will not come into operation until 1 September 2007, whereas the UK-wide Number designations will apply as soon as these numbers are available for use. If this modification is implemented as proposed the designations would be enforceable obligations on providers when their customers are calling these numbers.
- A2.77 Ofcom is satisfied that its proposal for a modification to GC 17 meets the tests set out in sections 47(2) of the Act being:
- A2.78 **objectively justifiable**, in that the introduction of the new obligation in GC 17 will serve to promote an appropriate degree of consumer certainty and confidence in the UK-wide Number range, and appropriate consumer protection on the Personal Number range, by requiring that all providers observe the relevant service and tariff designations for these ranges. This will ensure that all consumers have a reasonable degree of trust and protection when calling Personal Numbers and UK-wide Numbers and that SPs have the necessary confidence to undertake migration from an existing number to the new 03 range;
- A2.79 **not unduly discriminatory**, in that the obligations will apply to all CPs who offer their customers the ability to call Personal Numbers and UK-wide Numbers;
- A2.80 **proportionate**, in that the proposed modification to GC 17 is a measure that Ofcom believes will enable it to address the high levels of consumer detriment because Ofcom will be able to enforce compliance with these designations regardless of the CP from which the call originates; and
- A2.81 **transparent**, in that the Notification proposing the modifications to GC 17, and its effects, are set out in this document.

### Annex 3

# Modification to the provisions of the National Telephone Numbering Plan ('the Plan') under section 56(2) of the Communications Act 2003

## Modification of the Plan to incorporate definitional changes relevant to 01 and 02 Geographic Numbers, opening the 03 UK-wide Number range, and amendments to 070 Personal Numbers

### **WHEREAS-**

- A. section 56(2) of the Communications Act 2003 (the 'Act') provides that it shall be Ofcom's duty from time to time to review the National Telephone Numbering Plan (the 'Plan') and make such revisions as they see fit, provided such revisions are made in accordance with section 60 of the Act;
- B. section 60 of the Act applies whereby General Condition 17 is a numbering condition for the time being having effect by reference to provisions of the Plan;
- C. by virtue of the Transitional Provisions; references to the Director in General Condition 17 should be read as references to Ofcom;
- D. Ofcom issued a notification pursuant to section 60(3) of the Act of a proposal to make a modification to the Plan on 27 July 2006 ('the Notification');
- E. for the reasons set out in the statement accompanying this modification Ofcom are satisfied that, in accordance with section 60(2) of the Act, this modification is:
  - objectively justifiable in relation to the matters to which it relates;
  - not such as to discriminate unduly against particular persons or against a particular description of persons;
  - proportionate to what the modification is intended to achieve; and
  - in relation to what it is intended to achieve, transparent.
- F. for the reasons set out in the statement accompanying this modification Ofcom are satisfied that they acted in accordance with the relevant duties set out in sections 3, 4 and 63 of the Act;
- G. a copy of the Notification was sent to the Secretary of State;
- H. in the Notification and accompanying documentation Ofcom invited representations about any of the proposals therein by 14 September 2006;
- I. by virtue of section 60(5) of the Act, Ofcom may give effect to the proposal set out in the Notification, with or without modification, only if –



- (i) they have considered every representation about the proposal that is made to them within the period specified in the notification; and
  - (ii) they have had regard to every international obligation of the United Kingdom (if any) which has been notified to them for this purpose by the Secretary of State.
- J. Ofcom received 17 responses to this Notification and have considered every such representation made to them in respect of the proposals set out in the Notification and accompanying consultation document and the Secretary of State has not notified Ofcom of any international obligation of the UK for this purpose;
- K. in considering whether to make the modification proposed in the Notification Ofcom have complied with all relevant requirements set out in section 60 of the Act.

***THEREFORE-***

1. Ofcom, in accordance with section 56(2) of the Act, hereby makes the following modifications to the Plan to take effect on the date of publication of this notification
  - a) The following shall be deleted from the Plan under Section 1 Definitions and Interpretation:

**‘Conservation Area’** means a geographic area that has a realistic expectation of number exhaustion within the foreseeable future. Type A Conservation Areas are those which Ofcom believes are within two years of having less than ten spare 10,000 number blocks available. Type B Conservation Areas are those which Ofcom believes are likely to become Type A Conservation Areas within ten years

and replaced with:

**‘Conservation Area’** means a geographic area that Ofcom believes has a realistic expectation of number exhaustion within the next five years.
  - b) The following shall be deleted from the Plan under Section 1 Definitions and Interpretation:

**‘Personal Number’** means a Telephone Number, from a range of numbers in Part A of this document, assigned by a Personal Numbering Service Provider, which allows a Subscriber to receive calls or other communications at almost any Telephone Number, including a Mobile Number

and replaced with:

**‘Personal Number’** means a Telephone Number, from a range of numbers in Part A of this document, assigned by a Personal Numbering Service Provider, which allows a Subscriber to receive calls or other communications at almost any Telephone Number, including a Mobile Number, that is charged to the Customer at up to the rates set out in Part A, except where a free-to-caller pre-call announcement is provided at the start of the call;
  - c) The following shall be inserted in the Plan under Section 1 Definitions and Interpretation:

**‘Standard Area’** means a geographic area that Ofcom believes does not have a realistic expectation of number exhaustion within the next five years;

- d) The following shall be inserted in the Plan under Section 1 Definitions and Interpretation:

**‘UK-wide Number’** means a Telephone Number for a service charged at the rates set out in Part A where:

- (i) the Numbering Plan of the Communications Provider offering the service has no geographic significance for numbers beginning with 03; and
- (ii) the location of the Customer’s Apparatus identified by a given Telephone Number at the time of use is not necessarily permanently associated with a particular Network Termination Point;

- e) The following shall be inserted in the Plan under Part A1: Public Telephone Network Numbers:

<b>030</b>	<b>UK-wide Numbers at a geographic rate: to be used by public sector bodies and not-for-profit bodies, calls charged at up to the same rate the customer would pay to call a UK Geographic Number, with calls to 030 numbers counting towards inclusive call minutes if the customer has remaining inclusive minutes to UK Geographic Numbers, and included in any discount structures that apply to UK Geographic Numbers</b>
<b>033</b>	<b>UK-wide Numbers at a geographic rate: calls charged at up to the same rate the customer would pay to call a UK Geographic Number, with calls to 033 numbers counting towards inclusive call minutes if the customer has remaining inclusive minutes to UK Geographic Numbers, and included in any discount structures that apply to UK Geographic Numbers</b>
<b>034</b>	<b>UK-wide Numbers at a geographic rate: migrating numbers from matching 084 numbers, calls charged at up to the same rate the customer would pay to call a UK Geographic Number, with calls to 034 numbers counting towards inclusive call minutes if the customer has remaining inclusive minutes to UK Geographic Numbers, and included in any discount structures that apply to UK Geographic Numbers</b>
<b>037</b>	<b>UK-wide Numbers at a geographic rate: migrating numbers from matching 087 numbers, calls charged at up to the same rate the customer would pay to call a UK Geographic Number, with calls to 037 numbers counting towards inclusive call minutes if the customer has remaining inclusive minutes to UK Geographic Numbers, and included in any discount structures that apply to UK Geographic Numbers</b>

- f) The following shall be deleted from the Plan under Part A1: Public Telephone Network Numbers:

<b>070</b>	<b>Personal Numbering Service</b>
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and replaced with:

070	<b>Personal Numbering Service: from 1 September 2007, calls to these numbers that are charged in excess of either 20p per minute or a fixed fee of 20p per call, inclusive (in either case) of value added tax, must be notified to callers at the start of the call before any call charges start to apply, by means of a free-to-caller pre-call announcement which at least states the maximum charge that could be incurred for a call to a personal number by a Customer of the Originating Communications Provider.</b>
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- g) The following shall be inserted as a new section B.3.1.7 condition in the Plan as follows:

***Standard Areas***

B3.1.7 Numbers in geographic areas with a Standard Area status are allocated in blocks of 10,000 numbers but shall only be Adopted or otherwise used in units of 1,000 numbers in new allocations. For both new and existing allocations, successive unused units of 1,000 numbers shall only be Adopted or otherwise used where justified by demand.

- h) The following shall be inserted as a new section B.3.6 in the Plan as follows:

***B3.6 UK-wide Numbers***

B3.6.1 Those who adopt or otherwise use 03 numbers shall not share with any End-User any revenue obtained from providing a service on those numbers.

B3.6.2 Those who are allocated 030 blocks by Ofcom shall not Adopt or otherwise use those numbers unless the End-User is a public sector body or a not-for-profit body.

B3.6.3 Those Communications Providers who Adopt or otherwise use 034 or 037 numbers shall only do so for the purpose of providing a service to a Customer who is migrating from an 084 or 087 number which is exactly identical to the 034 or 037 number except for the second digit (a “matching 084 or 087 number”). An 034 or 037 number shall not be Adopted or otherwise used by a Communications Provider where no matching 084 or 087 number is in use by a Customer.

- i)\_ In Appendix A of the Plan, the table showing Geographic Area Codes and their Conservation Status (such areas are currently designated with the letter “A”) shall be deleted and replaced in its entirety by the table below:

Appendix A: Geographic Numbering - Geographic Area Codes and applicable Geographic Area

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
0113	Leeds	
0114	Sheffield	
0115	Nottingham	
0116	Leicester	
0117	Bristol	
0118	Reading	
01200	Clitheroe	
01202	Bournemouth	Y
01204	Bolton	Y
01205	Boston	
01206	Colchester	Y
01207	Consett	
01208	Bodmin	
01209	Redruth	
0121	Birmingham	
01223	Cambridge	Y
01224	Aberdeen	Y
01225	Bath	Y
01226	Barnsley	Y
01227	Canterbury	
01228	Carlisle	
01229	Barrow-in-Furness (2,4,5,6,8) Millom (3,7,9)	
01233	Ashford (Kent)	
01234	Bedford	Y
01235	Abingdon	
01236	Coatbridge	
01237	Bideford	
01239	Cardigan	
01241	Arbroath	
01242	Cheltenham	
01243	Chichester	
01244	Chester	Y
01245	Chelmsford	Y
01246	Chesterfield	
01248	Bangor (Gwynedd)	
01249	Chippenham	
01250	Blairgowrie	
01252	Aldershot	Y
01253	Blackpool	Y
01254	Blackburn	Y

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
01255	Clacton-on-Sea	
01256	Basingstoke	Y
01257	Coppull	
01258	Blandford	
01259	Alloa	
01260	Congleton	
01261	Banff	
01262	Bridlington	
01263	Cromer	
01264	Andover	
01267	Carmarthen	
01268	Basildon	Y
01269	Ammanford	
01270	Crewe	
01271	Barnstable	
01273	Brighton	Y
01274	Bradford	Y
01275	Clevedon	
01276	Camberley	Y
01277	Brentwood	
01278	Bridgwater	
01279	Bishops Stortford	
01280	Buckingham	
01282	Burnley	
01283	Burton-on-Trent	
01284	Bury-St-Edmunds	
01285	Cirencester	
01286	Caernarvon	
01287	Guisborough	
01288	Bude	
01289	Berwick-on-Tweed	
01290	Cumnock	
01291	Chepstow	
01292	Ayr	
01293	Crawley	Y
01294	Ardrossan	
01295	Banbury	
01296	Aylesbury	
01297	Axminster	
01298	Buxton	
01299	Bewdley	
01300	Cerne Abbas	
01301	Arrochar	
01302	Doncaster	Y
01303	Folkestone	
01304	Dover	

<sup>36</sup> Where Conservation Status is not indicated as Y, the area is a Standard Area (see Part B3.1.7)

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
01305	Dorchester	
01306	Dorking	
01307	Forfar	
01308	Bridport	
01309	Forres	
0131	Edinburgh	
01320	Fort Augustus	
01322	Dartford	
01323	Eastbourne	
01324	Falkirk	
01325	Darlington	
01326	Falmouth	
01327	Daventry	
01328	Fakenham	
01329	Fareham	
01330	Banchory	
01332	Derby	Y
01333	Peat Inn	
01334	St Andrews	
01335	Ashbourne	
01337	Ladybank	
01339	Aboyne (2,3,5,8) Ballater (4,6,7,9)	
01340	Craigellachie	
01341	Barmouth	
01342	East Grinstead	
01343	Elgin	
01344	Bracknell	Y
01346	Fraserburgh	
01347	Easingwold	
01348	Fishguard	
01349	Dingwall	
01350	Dunkeld	
01352	Mold	
01353	Ely	
01354	Chatteris	
01355	East Kilbride	
01356	Brechin	
01357	Strathaven	
01358	Ellon	
01359	Pakenham	
01360	Killearn	
01361	Duns	
01362	Dereham	
01363	Crediton	
01364	Ashburton	
01366	Downham Market	
01367	Faringdon	
01368	Dunbar	
01369	Dunoon	
01371	Great Dunmow	

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
01372	Esher	
01373	Frome	
01375	Grays Thurrock	
01376	Braintree	
01377	Driffield	
01379	Diss	
01380	Devizes	
01381	Fortrose	
01382	Dundee	Y
01383	Dunfermline	
01384	Dudley	Y
01386	Evesham	
01387	Dumfries	
013873	Langholm	Y
01388	Bishop Auckland (3,4,6,7,8,9) Stanhope (2,5)	Y
01389	Dumbarton	
01392	Exeter	Y
01394	Felixstowe	
01395	Budleigh Salterton	
01397	Fort William	
01398	Dulverton	
01400	Honington	
01403	Horsham	
01404	Honiton	
01405	Goole	
01406	Holbeach	
01407	Holyhead	
01408	Golspie	
01409	Holsworthy	
0141	Glasgow	
01420	Alton	
01422	Halifax	
01423	Boroughbridge (3,4,9) Harrogate (2,5,6,7,8)	Y
01424	Hastings	
01425	Ringwood	
01427	Gainsborough	
01428	Haslemere	
01429	Hartlepool	
01430	Market Weighton (6,7,8,9) North Cave (2,3,4,5)	
01431	Helmsdale	
01432	Hereford	
01433	Hathersage	
01434	Bellingham (2,4,9) Haltwhistle (3,5) Hexham (6,7,8)	Y
01435	Heathfield	

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
01436	Helensburgh	
01437	Clynderwen (2,3,4,5) Haverfordwest (6,7,8,9)	
01438	Stevenage	
01439	Helmsley	
01440	Haverhill	
01442	Hemel Hempstead	
01443	Pontypridd	
01444	Haywards Heath	
01445	Gairloch	
01446	Barry	
01449	Stowmarket	
01450	Hawick	
01451	Stow-on-the-Wold	
01452	Gloucester	Y
01453	Dursley	
01454	Chipping Sodbury	
01455	Hinckley	
01456	Glenurquhart	
01457	Glossop	
01458	Glastonbury	
01460	Chard	
01461	Gretna	
01462	Hitchin	
01463	Inverness	
01464	Insch	
01465	Girvan	
01466	Huntly	
01467	Inverurie	
01469	Killingholme	
01470	Isle of Skye – Edinbane	
01471	Isle of Skye – Broadford	
01472	Grimsby	
01473	Ipswich	Y
01474	Gravesend	
01475	Greenock	
01476	Grantham	
01477	Holmes Chapel	
01478	Isle of Skye - Portree	
01479	Grantown-on-Spey	
01480	Huntingdon	
01481	Guernsey	
01482	Hull	Y
01483	Guildford	Y
01484	Huddersfield	Y
01485	Hunstanton	
01487	Warboys	
01488	Hungerford	

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
01489	Bishops Waltham	
01490	Corwen	
01491	Henley-on-Thames	
01492	Colwyn Bay	
01493	Great Yarmouth	
01494	High Wycombe	Y
01495	Pontypool	
01496	Port Ellen	
01497	Hay-on-Wye	
01499	Inveraray	
01501	Harthill	
01502	Lowestoft	
01503	Looe	
01505	Johnstone	
01506	Bathgate	
01507	Alford (Lincs) (4,8,9) Louth (3,6,7) Spilsby (2,5)	Y
01508	Brooke	
01509	Loughborough	
0151	Liverpool	
01520	Lochcarron	
01522	Lincoln	
01524	Lancaster	Y
015242	Hornby	Y
01525	Leighton Buzzard	
01526	Martin	
01527	Redditch	
01528	Laggan	
01529	Sleaford	
01530	Coalville	
01531	Ledbury	
01534	Jersey	
01535	Keighley	
01536	Kettering	
01538	Ipstones	
01539	Kendal	
015394	Hawkshead	Y
015395	Grange-Over-Sands	Y
015396	Sedbergh	Y
01540	Kingussie	
01542	Keith	
01543	Cannock	
01544	Kington	
01545	Llanarth	
01546	Lochgilthead	
01547	Knighton	
01548	Kingsbridge	
01549	Lairg	
01550	Llandovery	
01553	Kings Lynn	

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
01554	Llanelli	
01555	Lanark	
01556	Castle Douglas	
01557	Kirkcudbright	
01558	Llandeilo	
01559	Llandyssul	
01560	Moscow	
01561	Laurencekirk	
01562	Kidderminster	
01563	Kilmarnock	
01564	Lapworth	
01565	Knutsford	
01566	Launceston	
01567	Killin	
01568	Leominster	
01569	Stonehaven	
01570	Lampeter	
01571	Lochinver	
01572	Oakham	
01573	Kelso	
01575	Kirriemuir	
01576	Lockerbie	
01577	Kinross	
01578	Lauder	
01579	Liskeard	
01580	Cranbrook	
01581	New Luce	
01582	Luton	Y
01583	Carradale	
01584	Ludlow	
01586	Campbeltown	
01588	Bishops Castle	
01590	Lymington	
01591	Llanwrtyd Wells	
01592	Kirkcaldy	
01593	Lybster	
01594	Lydney	
01595	Lerwick Foula (75) Fair Isle (76)	
01597	Llandrindod Wells	
01598	Lynnton	
01599	Kyle	
01600	Monmouth	
01603	Norwich	Y
01604	Northampton	Y
01606	Northwich	
01608	Chipping Norton	
01609	Northallerton	
0161	Manchester	
01620	North Berwick	

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
01621	Maldon	
01622	Maidstone	
01623	Mansfield	
01624	Isle of Man	
01625	Macclesfield	
01626	Newton Abbot	
01628	Maidenhead	
01629	Matlock	
01630	Market Drayton	
01631	Oban	
01633	Newport	Y
01634	Medway	
01635	Newbury	Y
01636	Newark	
01637	Newquay	
01638	Newmarket	
01639	Neath	
01641	Strathy	
01642	Middlesbrough	Y
01643	Minehead	
01644	New Galloway	
01646	Milford Haven	
01647	Moretonhampstead	
01650	Cemmaes Road	
01651	Oldmeldrum	
01652	Brigg	
01653	Malton	
01654	Machynlleth	
01655	Maybole	
01656	Bridgend	
01659	Sanquhar	
01661	Prudhoe	
01663	New Mills	
01664	Melton Mowbray	
01665	Alnwick	
01666	Malmesbury	
01667	Nairn	
01668	Bamburgh	
01669	Rothbury	
01670	Morpeth	
01671	Newton Stewart	
01672	Marlborough	
01673	Market Rasen	
01674	Montrose	
01675	Coleshill	
01676	Meriden	
01677	Bedale	
01678	Bala	
01680	Isle of Mull – Craignure	
01681	Isle of Mull – Fionnphort	

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
01683	Moffat	
01684	Malvern	
01685	Merthyr Tydfil	
01686	Llanidloes (2,3,4,7) Newtown (5,6,8,9)	
01687	Mallaig	
01688	Isle of Mull – Tobermory	
01689	Orpington	
01690	Betws-y-Coed	
01691	Oswestry	
01692	North Walsham	
01694	Church Stretton	
01695	Skelmersdale	
01697	Brampton	
016973	Wigton	Y
016974	Raughton Head	Y
01698	Motherwell	Y
01700	Rothsay	
01702	Southend-on-Sea	Y
01704	Southport	
01706	Rochdale	Y
01707	Welwyn Garden City	Y
01708	Romford	Y
01709	Rotherham	Y
01720	Isles of Scilly	
01721	Peebles	
01722	Salisbury	
01723	Scarborough	
01724	Scunthorpe	
01725	Rockbourne	
01726	St Austell	
01727	St Albans	
01728	Saxmundham	
01729	Settle	
01730	Petersfield	
01732	Sevenoaks	
01733	Peterborough	Y
01736	Penzance	
01737	Redhill	
01738	Perth	
01740	Sedgefield	
01743	Shrewsbury	
01744	St Helens	
01745	Rhyl	
01746	Bridgnorth	
01747	Shaftesbury	
01748	Richmond	
01749	Shepton Mallet	
01750	Selkirk	
01751	Pickering	

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
01752	Plymouth	Y
01753	Slough	Y
01754	Skegness	
01756	Skipton	
01757	Selby	
01758	Pwllheli	
01759	Pocklington	
01760	Swaffham	
01761	Temple Cloud	
01763	Royston	
01764	Crieff	
01765	Ripon	
01766	Porthmadog	
01767	Sandy	
01768	Penrith	
017683	Appleby	Y
017684	Pooley Bridge	Y
017687	Keswick	Y
01769	South Molton	
01770	Isle of Arran	
01771	Maud	
01772	Preston	Y
01773	Ripley	
01775	Spalding	
01776	Stranraer	
01777	Retford	
01778	Bourne	
01779	Peterhead	
01780	Stamford	
01782	Stoke-on-Trent	Y
01784	Staines	
01785	Stafford	
01786	Stirling	
01787	Sudbury	
01788	Rugby	
01789	Stratford-upon-Avon	
01790	Spilsby	
01792	Swansea	Y
01793	Swindon	Y
01794	Romsey	
01795	Sittingbourne	
01796	Pitlochry	
01797	Rye	
01798	Pulborough	
01799	Saffron Walden	
01803	Torquay	
01805	Torrington	
01806	Shetland	
01807	Ballindalloch	
01808	Tomatin	
01809	Tomdoun	



Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
01821	Kinrossie	
01822	Tavistock	
01823	Taunton	
01824	Ruthin	
01825	Uckfield	
01827	Tamworth	Y
01828	Coupar Angus	
01829	Tarporley	
01830	Kirkwhelpington	
01832	Clopton	
01833	Barnard Castle	
01834	Narberth	
01835	St Boswells	
01837	Okehampton	
01838	Dalmally	
01840	Camelford	
01841	Newquay	
01842	Thetford	
01843	Thanet	
01844	Thame	
01845	Thirsk	
01847	Thurso (2,3,4,5,8) Tongue (6,7,9)	
01848	Thornhill	
01851	Great Bernera (4,6,9) Stornoway (2,3,5,7,8)	
01852	Kilmelford	
01854	Ullapool	
01855	Ballachulish	
01856	Orkney	
01857	Sanday	
01858	Market Harborough	
01859	Harris	
01862	Tain	
01863	Ardgay	
01864	Abington	
01865	Oxford	Y
01866	Kilchrenan	
01869	Bicester	
01870	Isle of Benbecula	
01871	Castlebay	
01872	Truro	
01873	Abergavenny	
01874	Brecon	
01875	Tranent	
01876	Lochmaddy	
01877	Callandar	
01878	Lochboisdale	
01879	Scarinish	
01880	Tarbert	
01882	Kinloch Rannoch	

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
01883	Caterham	
01884	Tiverton	
01885	Pencombe	
01886	Bromyard	
01887	Aberfeldy	
01888	Turriff	
01889	Rugely	
01890	Ayton (5,6,7,9) Coldstream (2,3,4,8)	
01892	Tunbridge Wells	
01895	Uxbridge	
01896	Galashiels	
01899	Biggar	
01900	Workington	
01902	Wolverhampton	Y
01903	Worthing	
01904	York	Y
01905	Worcester	Y
01908	Milton Keynes	Y
01909	Worksop	
0191	Tyneside (2,4,6) Durham (3) Sunderland (5)	
01920	Ware	
01922	Walsall	
01923	Watford	Y
01924	Wakefield	Y
01925	Warrington	Y
01926	Warwick	
01928	Runcorn	
01929	Wareham	
01931	Shap	
01932	Weybridge	Y
01933	Wellingborough	
01934	Weston-Super-Mare	
01935	Yeovil	
01937	Wetherby	
01938	Welshpool	
01939	Wem	
01942	Wigan	Y
01943	Guiseley	
01944	West Heslerton	
01945	Wisbech	
01946	Whitehaven	
019467	Gosforth	Y
01947	Whitby	
01948	Whitchurch	
01949	Whatton	
01950	Sandwich	
01951	Colonsay	
01952	Telford	Y

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
01953	Wymondham	
01954	Madingley	
01955	Wick	
01957	Mid Yell	
01959	Westerham	
01962	Winchester	
01963	Wincanton	
01964	Hornsea (2,5,8,9) Patrinton (3,4,6,7)	
01967	Strontian	
01968	Penicuik	
01969	Leyburn	
01970	Aberystwyth	
01971	Scourie	
01972	Glenborrodale	
01974	Llanon	
01975	Alford (Aberdeen) (2,4,5,9) Strathdon (3,6,7,8)	
01977	Pontefract	
01978	Wrexham	
01980	Amesbury	
01981	Wormbridge	
01982	Builth Wells	
01983	Isle of Wight	
01984	Watchet	
01985	Warminster	
01986	Bungay	
01988	Wigtown	
01989	Ross-on-Wye	
01992	Lea Valley	
01993	Witney	
01994	St Clears	
01995	Garstang	
01997	Strathpeffer	
020	London	
023	Southampton (80) Portsmouth (92)	
024	Coventry	

Geographic Area Code	Geographic Area	Conservation Status <sup>36</sup>
028	Ballycastle (20) Martinstown (21) Ballymena (25) Ballymoney (27) Larne (28) Kilrea (29) Newry (30) Armagh (37) Portadown (38) Banbridge (40) Rostrevor (41) Kircubbin (42) Newcastle (Co. Down)(43) Downpatrick (44) Enniskillen (66) Lisnaskea (67) Kesh (68) Coleraine (70) Londonderry (71) Limavady (77) Magherafelt (79) Carrickmore (80) Newtownstewart (81) Omagh (82) Ballygawley (85) Cookstown (86) Dungannon (87) Fivemiletown (89) Belfast (90) Bangor (Co. Down)(91) Lisburn (92) Ballyclare (93) Antrim (94) Saintfield (97)	
029	Cardiff	

2. In making the decision referred to in paragraph 1 above, Ofcom have considered and acted in accordance with the six Community requirements set out in section 4 of the Act and their duties in section 3 and 63 of the Act.
3. Ofcom has sent a copy of this notification to the Secretary of State.
4. In this Modification:
  - The 'Act' means the Communications Act 2003;

- 'the Director' means the Director General of Telecommunications as appointed under section 1 of the Telecommunications Act 1984;
  - 'General Condition 17' means General Condition 17 of the General Conditions of Entitlement set by the Director on 22 July 2003 pursuant to section 45 of the Act by way of publication of a Notification pursuant to section 48(1) of the Act;
  - 'Ofcom' means the Office of Communications;
  - 'the Plan' means the National Telephone Numbering Plan published by Ofcom from time to time pursuant to section 56 of the Act; and
  - 'Transitional Provisions' means sections 408 and 411 of the Act, the Communications Act 2003 (commencement No 1) Order 2003 and the Office of Communications Act 2002 (Commencement No.3) and Communications Act 2003 (Commencement No 2) Order 2003.
5. Except in so far as the context otherwise require, words or expressions shall have the meaning assigned to them otherwise any word or expression shall have the meaning it has in the Act, or if it has no meaning there, in the Plan.
6. The Interpretation Act 1978 shall apply as if this modification were an Act of Parliament.
7. Headings and titles shall be disregarded.

Signed by Neil Buckley



Director of Competition

A person authorised by Ofcom under paragraph 18 of the Schedule to the Office of Communications Act 2002

13 February 2007

## Annex 4

# Direction on an application form for 03 numbers

### **WHEREAS-**

- A. paragraph 17.9(a) of the Condition provides that when applying for an Allocation or reservation of Telephone Numbers, the Communications Provider shall use an appropriate application form as directed by the Director from time to time as he thinks fit;
- B. by virtue of the Transitional Provisions, references to the Director in General Condition 17 should be read as references to OFCOM;
- C. for the reasons set out in the Statement accompanying this Direction OFCOM are satisfied that the application form in the Annex to this Direction is appropriate for use by Communications Providers when applying for an Allocation or reservation of Telephone Numbers;
- D. for the reasons set out in the Statement accompanying this Direction OFCOM are satisfied that, in accordance with section 49(2) of the Act, this Direction is:
  - objectively justifiable in relation to the networks, services, facilities, apparatus or directories to which it relates;
  - not such as to discriminate unduly against particular persons or against a particular description of persons;
  - proportionate to what it is intended to achieve; and
  - in relation to what it is intended to achieve, transparent.
- E. for the reasons set out in the Statement accompanying this Direction OFCOM are satisfied that they have acted in accordance with the relevant duties set out in sections 3, 4 and 63 of the Act;
- F. OFCOM issued a notification pursuant to section 49(4) of the Act of a proposal to modify a direction given under Condition 17.9(a) directing the appropriate application form for 03 numbers on 27 July 2006 (the 'Notification');
- G. a copy of the Notification was sent to the Secretary of State in accordance with section 50(1)(b) of the Act;
- H. in the Notification and accompanying consultation document OFCOM invited representations about any of the proposals therein by 14 September 2006;
- I. by virtue of section 49(9) of the Act, OFCOM may give effect to the proposal set out in the Notification, with or without modification, only if-
  - i. they have considered every representation about the proposal that is made to them within the period specified in the notification; and
  - ii. they have had regard to every international obligation of the United Kingdom (if any) which has been notified to them for this purpose by the Secretary of State;

- J. OFCOM received 17 responses to the Notification and have considered every such representation made to them in respect of the proposals set out in the Notification and accompanying consultation document and the Secretary of State has not notified OFCOM of any international obligation of the United Kingdom for this purpose; and
- K. In considering whether to make the modification proposed in the Notification OFCOM have complied with all relevant requirements set out in section 49 of the Act;

**THEREFORE-**

1. OFCOM in accordance with Condition 17.9(a) hereby direct that for the time being, from the date of publication, the application form in the Annex to this Direction shall be used by Communications Providers when applying for an Allocation of Telephone Numbers starting '03' for UK Wide Numbers.
2. In this Direction-
  - 'the Act' means the Communications Act 2003;
  - 'Allocation' shall have the same meaning as in the Condition;
  - 'Communications Provider' shall have the same meaning as in the Condition;
  - 'the Condition' means General Condition 17 of the General Conditions of Entitlement set by the Director on 22 July 2003 pursuant to section 45 of the Act by way of publication of a Notification pursuant to section 48(1) of the Act;
  - 'the Director' means the Director-General of Telecommunications as appointed under section 1 of the Telecommunications Act 1984;
  - 'OFCOM' means the Office of Communications;
  - 'Telephone Number' shall have the same meaning as in paragraph 1 of Part 1 of the Schedule to the Notification published by the Director on 22 July 2003 under section 48(1) of the Act;
  - 'Transitional Provisions' means sections 408 and 411 of the Act, the Communications Act 2003 (Commencement No.1) Order 2003 and the Office of Communications Act 2002 (Commencement No.3) and Communications Act 2003 (Commencement No 2) Order 2003.
3. Except in so far as the context otherwise requires, words or expressions shall have the meaning assigned to them. Otherwise, any word or expression shall have the same meaning as it has-
  - i. in the National Telephone Numbering Plan published by Ofcom on 6 September 2004 pursuant to section 56 of the Act;
  - ii. if, and only if, it has no meaning ascribed as mentioned in (i) above, and only if the context so permits, in General Condition 17 (entitled 'Allocation, Adoption and Use of Telephone Numbers') in Part 2 of the Schedule to the Notification published by the Director on 22 July 2003 under section 48(1) of the Act;
  - iii. if, and only if, it has no meaning ascribed as mentioned in (i) and (ii) above, and only if the context so permits, in paragraph 1 of Part 1 of the Schedule to the Notification published by the Director on 22 July 2003 under section 48(1) of the

Act; and

iv. if, and only if, it has no meaning ascribed as mentioned in (i), (ii) and (iii) above, and only if the context so permits, in the Act.

4. The Interpretation Act 1978 shall apply as if this Direction were an Act of Parliament.
5. Headings and titles shall be disregarded.
6. This direction applies from the date of publication.

Signed by Neil Buckley



Director of Competition

A person authorised by Ofcom under paragraph 18 of the Schedule to the Office of Communications Act 2003

13 February 2007

Annex to Direction (setting out the new S3 application form)

**UK-WIDE APPLICATION - NUMBERS STARTING '03'**

<b><u>Service Type:</u></b>	<b><u>Number ranges starting:</u></b>	<b><u>Number block size:</u></b>
UK-wide numbers for end users who are public sector or not-for-profit bodies	0300 XXX to 0309 XXX	10,000
UK-wide numbers for any end users	0330 XXX to 0339 XXX	10,000
UK-wide numbers for end users migrating from 084X or 087X numbers to equivalent numbers in 034X or 037X number blocks	034X XXX 037X XXX	10,000



## Definitions and Interpretation

1. Except in so far as the context otherwise requires, words or expressions shall have the meaning assigned to them. Otherwise, any word or expression shall have the same meaning as it has-

- (i) in the National Telephone Numbering Plan published by the Director on 22<sup>nd</sup> July 2003 pursuant to section 56 of the Communications Act 2003 (the 'Act');
- (ii) if, and only if, it has no meaning ascribed as mentioned in (i) above, and only if the context so permits, in General Condition 17 (entitled 'Allocation, Adoption and Use of Telephone Numbers') in Part 2 of the Schedule to the Notification published by the Director on 22<sup>nd</sup> July 2003 under section 48(1) of the Act;
- (iii) if, and only if, it has no meaning ascribed as mentioned in (i) and (ii) above, and only if the context so permits, in paragraph 1 of Part 1 of the Schedule to the Notification published by the Director on 22<sup>nd</sup> July 2003 under section 48(1) of the Act; and
- (iv) if, and only if, it has no meaning ascribed as mentioned in (i), (ii) and (iii) above, and only if the context so permits, in the Act.

2. The Interpretation Act 1978 shall apply as if this Application Form were an Act of Parliament.

*(Applicants should ensure that all sections have been completed where relevant – incomplete Application Forms may not be processed within the 3-week deadline).*

<b>1. <u>Your reference (optional):</u></b>	
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<b>2. <u>Applicant details and date of application:</u></b>  Your name, company name, address, direct telephone, direct fax, direct e-mail, mobile.  <i>(Where you are acting on behalf of a Communications Provider (eg a consultant, solicitor, etc), and if you have not previously supplied one, you should enclose a letter from that Communications Provider confirming that you are authorised to represent it).</i>	<b><u>Date of application:</u></b>
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<b>3. <u>Communications Provider details:</u></b>  If different from 2. above (eg where you are a consultant, solicitor, etc), provide the name and address of the Communications Provider on behalf of whom you are applying for Telephone Numbers.	
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**4. Declaration of ‘Public Electronic Communications Network’ or ‘Public Electronic Communications Service’**

The information requested in Annex A helps Ofcom to assess your eligibility to be allocated Telephone Numbers.

If you are a provider of a Public Electronic Communications Network:

confirm whether you have previously supplied the information requested in Annex A (or information equivalent to it), to Ofcom’s Numbering Unit; or

if not, you must complete in full all relevant questions in Annex A and submit it along with this form.

If you have previously supplied the information in Annex A, then move onto the next question – you do not need to submit Annex A with this form.

If you are a provider of Public Electronic Communications Services:

you **MUST** complete all relevant questions in Annex A each time you apply for Telephone Numbers and submit it with this form.

*(For providers of Public Electronic Communications Networks, please ensure you have previously supplied the information requested, before you confirm this – your application may be rejected if this is not the case).*

**5. Telephone Numbers required:**

When completing the table below, you should:

- i) give a 1<sup>st</sup> and 2<sup>nd</sup> choice for each type of Telephone Number block applied for in case the block you've applied for is not available at the time the application is processed;and
- ii) ensure that, except in the case of (ii) above, a maximum of 15 blocks are entered on this Application Form. A new Form S3 should be completed for further blocks.

		<b>Code - first 4 digits after initial '0'</b>  e.g 3001 – Public sector and not-for-profit bodies, 3704 – for migration from 8704	<b>Next 2 digits of number</b>  e.g. 34	<b>Planned 'In-Service' Date</b>  (applications should not be submitted more than 6 months prior to in-service date)	<b>Forecast of expected Adoption in 1<sup>st</sup> 12 months</b>	<b>Forecast of expected Adoption in 2<sup>nd</sup> 12 months</b>
		<b>(SABC)</b>	<b>(DE)</b>		<b>(%)</b>	<b>(% cumulative)</b>
e.g. 1 <sup>st</sup> Block	1 <sup>st</sup> Choice	3001	21	mid Apr 2007	20	80
	2 <sup>nd</sup> Choice			mid Apr 2007	20	80
e.g. 2 <sup>nd</sup> Block	1 <sup>st</sup> Choice	3339	02	beg. May 2007	40	100
	2 <sup>nd</sup> Choice			beg. May 2007	40	100
e.g. 3 <sup>rd</sup> Block	1 <sup>st</sup> Choice	3704	34	end May 2007	15	90
	2 <sup>nd</sup> Choice	3705	33	end May 2007	15	90
1 <sup>st</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
2 <sup>nd</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
3 <sup>rd</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
4 <sup>th</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
5 <sup>th</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					

**5. continued**

		<b>Code - first 4 digits after initial '0'</b>  e.g 3001 – Public sector and not-for-profit bodies, 3704 – migration from 8704  <b>(SABC)</b>	<b>Next 2 digits of number</b>  e.g. 34  <b>(DE)</b>	<b>Planned 'In-Service' Date</b>  (applications should not be submitted more than 6 months prior to in-service date)	<b>Forecast of expected Adoption in 1<sup>st</sup> 12 months</b>  <b>(%)</b>	<b>Forecast of expected Adoption in 2nd 12 months</b>  <b>(% cumulative)</b>
6 <sup>th</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
7 <sup>th</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
8 <sup>th</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
9 <sup>th</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
10 <sup>th</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
11 <sup>th</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
12 <sup>th</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
13 <sup>th</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
14 <sup>th</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					
15 <sup>th</sup> Block	1 <sup>st</sup> Choice					
	2 <sup>nd</sup> Choice					

## 6. Service and Market:

For each of the Telephone Number blocks applied for above, give a brief description of the type of Public Electronic Communications Service for which the Telephone Numbers applied for will be Adopted, and the market to be served by the service e.g. charitable helplines for UK customers, retail financial services etc.

## 7. Adoption of existing Telephone Number blocks:

For each type of Telephone Number block applied for above, you should provide details, in the table below, of any other number blocks in the same category (and at the same tariff – where relevant) that you have been allocated to date - consistent with its duty in the Communications Act 2003 to secure best use of numbers Ofcom requires a justification for applying for further numbering capacity where there may be non-utilised numbers.

Code – first 6 digits after initial '0' – show as SABC DE  (see top of Form for number of digits to specify)		Total Numbers Allocated to End Users: ie, in use or ported out	Total Numbers not in use but contracted out
(SABC)	(DE)	(Numbers or %)	(Numbers or %)
3005	28	942	8
3330	95	860	35
3456	23	6540	2050
3709	56	7560	180

(You should e-mail this application form to [numbering.applications@ofcom.org.uk](mailto:numbering.applications@ofcom.org.uk) )

## Form S3 - Annex A

### **A1. Confirmation of Status:**

Ofcom generally only Allocates Telephone Numbers to providers of Public Electronic Communications Networks.

Ofcom may also Allocate numbers, where number resource implications do not preclude allocation, to providers of a Public Electronic Communications Service. Ofcom would also normally expect to see that the provider has arrangements in place for its service to be carried over a network, and, where appropriate, would usually expect the provider to have taken reasonable steps to seek a sub-allocation of Telephone Numbers of the type applied for prior to making the application.

Providers of Public Electronic Communications Networks

It is not Ofcom's intention for a Communications Provider to be assessed more than once to determine whether or not it is a provider of a Public Electronic Communications Network.

Therefore, please now complete question A4. If you have answered 'yes' to question A4(a), you do not need to answer questions A1 (a) and (b) below.

If you have not registered i.e. you have answered no to question A4(a), Ofcom needs certain information from you in order to determine whether or not you are a provider of a Public Electronic Communications Network.

Please provide details of:

a) the Electronic Communications Network on which the Telephone Numbers applied for are intended to be Adopted;

(a diagram may be useful to assist Ofcom in assessing your eligibility for Telephone Numbers)

b) the Electronic Communications Service which you are intending to provide over that network.

Providers of Public Electronic Communications Services

In order to determine whether or not you are a provider of a Public Electronic Communications Service, Ofcom needs certain information from you. Please provide details of:

c) the Electronic Communications Service which you are intending to provide with the Telephone Numbers applied for. Please also provide details of the network on which the numbers you are applying for will be Adopted.

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<p><b>A2. <u>Applications from providers of Public Electronic Communications Services</u></b></p> <p>If you are applying for Telephone Numbers as a provider of Public Electronic Communications Services, where appropriate Ofcom would usually expect your company to have already taken reasonable steps to obtain a sub-allocation of Telephone Numbers of the type you are applying for from a provider of a Public Electronic Communications Network.</p> <p>a) Have you taken steps to obtain a sub-allocation of Telephone Numbers of the type for which you are applying? If not, would you please provide a justification for that; and</p> <p>b) If you have taken steps, would you provide a brief description of the steps you have taken, and state why did you not obtain a sub-allocation?</p>	
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<p><b>A3. <u>Interconnection arrangements</u></b></p> <p>Describe your Interconnection arrangements (or those of the provider of a Public Electronic Communications Network on whose network the Telephone Numbers applied for would be Adopted), if any, with other Communications Providers – a simple network diagram may be useful.</p>	
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(You should e-mail this application form to [numbering.applications@ofcom.org.uk](mailto:numbering.applications@ofcom.org.uk) )

## Annex 5

# Notification of a proposed modification under section 48(2) of the Act

### **Proposal for modification of General Condition 17 on Allocation, Adoption and Use of telephone numbers which is set out in the Schedule to the Notification under section 48(1) of the Communications Act 2003 published by the Director General of Telecommunications on 22 July 2003**

1. Ofcom, in accordance with section 48(2) of the Act, hereby makes the following proposal for the modification of General Condition 17 on allocation, adoption and use of telephone numbers;
2. The draft modification is set out in the Schedule to this Notification;
3. The effect of, and Ofcom's reasons for making the proposal referred to in paragraph 1 above are set out in this accompanying document;
5. Ofcom considers that the proposed modification complies with the requirements in sections 45 to 50 of the Act, as appropriate;
6. In making the proposals set out in this Notification Ofcom have considered and acted in accordance with the six Community requirements in section 4 of the Act as well as performed their general duties under section 3 of the Act and their duty as to telephone numbering in section 63 of the Act.
7. Representations may be made to Ofcom about the proposal by **5pm on 14 March 2007**.
8. Copies of this Notification have been made available to the Secretary of State.
9. In this Notification-
  - (i) 'Act' means the Communications Act 2003;
  - (ii) 'Condition' means General Condition 17 of the General Conditions of Entitlement set by the Director by way of publication of a Notification on 22 July 2003;
  - (iii) 'Director' means the Director-General of Telecommunications as appointed under section 1 of the Telecommunications Act 1984; and
  - (iv) 'Ofcom' means the Office of Communications.
10. Except insofar as the context otherwise requires, words or expressions shall have the same meaning assigned to them in this Notification and otherwise any word or expression shall have the same meaning as it has in the Act.
11. For the purposes of interpreting this Notification:
  - (i) headings and title are to be disregarded;



- (ii) the Interpretation Act 1978 applies as if this Notification were an Act of Parliament.

12. The Schedule forms part of this Notification.



Signed by Neil Buckley

Director of Competition

A person authorised by Ofcom under paragraph 18 of the Schedule to the Office of Communications Act 2003

13 February 2007

### Draft Schedule

Proposal for a modification to General Condition 17 (“Adoption, Allocation and Use of Telephone Numbers”) which is set out in the Schedule to the Notification under section 48(1) of the Communications Act 2003 published by the Director General of Telecommunications on 22 July 2003

[A]. The following shall be inserted in General Condition 17–

Requirements in connection with the use of telephone numbers

- 17.13 The Communications Provider shall comply with the designations for UK-wide Numbers (03) and Personal Numbering Service (070) in the National Telephone Numbering Plan when using those numbers for the purpose of its Customers making calls to UK-wide Numbers (03) and Personal Numbering Services (070).

## Annex 6

# Responding to this consultation

### How to respond

- A6.1 Ofcom invites written views and comments on the issues raised in this document, to be made by **5pm on 14 March 2007**.
- A6.2 The consultation period has not been set at the usual ten week period but it meets the statutory requirement for a one month consultation. Ofcom's consultation principles (see Annex 7) also allow for a shorter period of consultation in urgent cases. Ofcom believes that a month is appropriate because of the need to ensure that the changes to the Plan are enforceable from the time when 03 numbers are available to dial. In addition, the policy substance concerning the regulation on which we are consulting has already been covered in previous stages of detailed consultation. The detail of the regulation is also relatively limited, and the issues covered in this consultation are expected to be chiefly of interest to CPs.
- A6.3 Ofcom strongly prefers to receive responses as e-mail attachments, in Microsoft Word format, 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 (see Annex 8) and, among other things, to indicate whether or not there are confidentiality issues. The cover sheet can be downloaded from the 'Consultations' section of our website.
- A6.4 Please send your response to [nic.green@ofcom.org.uk](mailto:nic.green@ofcom.org.uk)
- A6.5 Responses may alternatively be posted or faxed to the address below, marked with the title of the consultation:
- Nic Green  
4th Floor, Riverside House  
2A Southwark Bridge Road  
London SE1 9HA  
Fax: 020 7783 4109
- A6.6 Note that we do not need a hard copy in addition to an electronic version. Also note that Ofcom will not routinely acknowledge receipt of responses.
- A6.7 It would be helpful if your response could include a direct answer to the question asked in this document, which is reproduced at Annex 9. It would also help if you can explain why you hold your views, and how Ofcom's proposals would impact on you.

### Further information

- A6.8 If you want to discuss the issues and questions raised in this consultation, or need advice on the appropriate form of response, please contact Nic Green at 020 7783 4154.

### Confidentiality

- A6.9 Ofcom thinks it is important for everyone interested in an issue to see the views expressed by consultation respondents. We will therefore usually publish all

responses on our website, [www.ofcom.org.uk](http://www.ofcom.org.uk), ideally on receipt (when respondents confirm on their response cover sheet that this is acceptable).

- A6.10 All comments will be treated as non-confidential unless respondents specify that part or all of the response is confidential and should not be disclosed. Please place any confidential parts of a response in a separate annex, so that non-confidential parts may be published along with the respondent's identity.
- A6.11 Ofcom reserves its power to disclose any information it receives where this is required to carry out its legal requirements. Ofcom will exercise due regard to the confidentiality of information supplied.
- A6.12 Please also note that copyright and all other intellectual property in responses will be assumed to be licensed to Ofcom to use, to meet its legal requirements. Ofcom's approach on intellectual property rights is explained further on its website, at [www.ofcom.org.uk/about\\_ofcom/gov\\_accountability/disclaimer](http://www.ofcom.org.uk/about_ofcom/gov_accountability/disclaimer).

### Next steps

- A6.13 Ofcom intends to publish a statement as soon as possible after the end of the consultation period.
- A6.14 Please note that you can register to get automatic notifications of when Ofcom documents are published, at [http://www.ofcom.org.uk/static/subscribe/select\\_list.htm](http://www.ofcom.org.uk/static/subscribe/select_list.htm)

### Ofcom's consultation processes

- A6.15 Ofcom is keen to make responding to consultations easy, and has published some consultation principles (see Annex 7) which it seeks to follow, including on the length of consultations.
- A6.16 The period of time for responses to this consultation is one month, which complies with the minimum period for consultation under the Communications Act 2003 ("the Act").
- A6.17 If you have any comments or suggestions on how Ofcom conducts its consultations, please call our consultation helpdesk on 020 7981 3003 or e-mail us at [consult@ofcom.org.uk](mailto:consult@ofcom.org.uk). We would particularly welcome thoughts on how Ofcom could more effectively seek the views of those groups or individuals, such as small businesses or particular types of residential consumers, whose views are less likely to be obtained in a formal consultation.
- A6.18 If you would like to discuss these issues, or Ofcom's consultation processes more generally, you can alternatively contact Vicki Nash, Director, Scotland, who is Ofcom's consultation champion:

Vicki Nash  
Ofcom (Scotland)  
Sutherland House  
149 St. Vincent Street  
Glasgow G2 5NW  
Tel: 0141 229 7401

Fax: 0141 229 7433  
E-mail: [vicki.nash@ofcom.org.uk](mailto:vicki.nash@ofcom.org.uk)

## Annex 7

# Ofcom's consultation principles

A7.1 Ofcom has published the following seven principles that it will follow for each public written consultation:

### Before the consultation

A7.2 Where possible, we will hold informal talks with people and organisations before announcing a big consultation to find out whether we are thinking in the right direction. If we do not have enough time to do this, we will hold an open meeting to explain our proposals shortly after announcing the consultation.

### During the consultation

A7.3 We will be clear about who we are consulting, why, on what questions and for how long.

A7.4 We will make the consultation document as short and simple as possible with a summary of no more than two pages. We will try to make it as easy as possible to give us a written response. If the consultation is complicated, we may provide a shortened version for smaller organisations or individuals who would otherwise not be able to spare the time to share their views.

A7.5 We will normally allow ten weeks for responses to consultations on issues of general interest.

A7.6 There will be a person within Ofcom who will be in charge of making sure we follow our own guidelines and reach out to the largest number of people and organisations interested in the outcome of our decisions. This individual (who we call the consultation champion) will also be the main person to contact with views on the way we run our consultations.

A7.7 If we are not able to follow one of these principles, we will explain why. This may be because a particular issue is urgent. If we need to reduce the amount of time we have set aside for a consultation, we will let those concerned know beforehand that this is a 'red flag consultation' which needs their urgent attention.

### After the consultation

A7.8 We will look at each response carefully and with an open mind. We will give reasons for our decisions and will give an account of how the views of those concerned helped shape those decisions.

## Annex 8

# Consultation response cover sheet

- A8.1 In the interests of transparency, we will publish all consultation responses in full on our website, [www.ofcom.org.uk](http://www.ofcom.org.uk), unless a respondent specifies that all or part of their response is confidential. We will also refer to the contents of a response when explaining our decision, without disclosing the specific information that you wish to remain confidential.
- A8.2 We have produced a cover sheet for responses (see below) and would be very grateful if you could send one with your response. This will speed up our processing of responses, and help to maintain confidentiality by allowing you to state very clearly what you don't want to be published. We will keep your completed cover sheets confidential.
- A8.3 The quality of consultation can be enhanced by publishing responses before the consultation period closes. In particular, this can help those individuals and organisations with limited resources or familiarity with the issues to respond in a more informed way. Therefore Ofcom would encourage respondents to complete their cover sheet in a way that allows Ofcom to publish their responses upon receipt, rather than waiting until the consultation period has ended.
- A8.4 We strongly prefer to receive responses in the form of a Microsoft Word attachment to an email. Our website therefore includes an electronic copy of this cover sheet, which you can download from the 'Consultations' section of our website.
- A8.5 Please put any confidential parts of your response in a separate annex to your response, so that they are clearly identified. This can include information such as your personal background and experience. If you want your name, address, other contact details, or job title to remain confidential, please provide them in your cover sheet only so that we don't have to edit your response.

## Cover sheet for response to an Ofcom consultation

### DETAILS

Consultation title: Raising confidence in telephone numbers

To (Ofcom contact): Nic Green

Name of respondent:

Representing (self or organisation/s):

Address (if not received by email):

### CONFIDENTIALITY

What do you want Ofcom to keep confidential?

Nothing	<input type="checkbox"/>	Name/contact details/job title	<input type="checkbox"/>
Whole response	<input type="checkbox"/>	Organisation	<input type="checkbox"/>
Part of the response	<input type="checkbox"/>	If there is no separate annex, which parts?	

If you want part of your response, your name or your organisation to be confidential, can Ofcom still publish a reference to the contents of your response (including, for any confidential parts, a general summary that does not disclose the specific information or enable you to be identified)?

### DECLARATION

I confirm that the correspondence supplied with this cover sheet is a formal consultation response. It can be published in full on Ofcom's website, unless otherwise specified on this cover sheet, and I authorise Ofcom to make use of the information in this response to meet its legal requirements. If I have sent my response by email, Ofcom can disregard any standard e-mail text about not disclosing email contents and attachments.

Ofcom seeks to publish responses on receipt. If your response is non-confidential (in whole or in part), and you would prefer us to publish your response only once the consultation has ended, please tick here.

Name

Signed (if hard copy)

## Annex 9

# Consultation question

*Question 1 Do you have any comments on the proposed amendment to General Condition 17 as set out in Annex 5 of this document?*

## Annex 10

# List of consultation respondents

Ofcom received 17 responses to the July document on the Plan and 03 and 070 application forms. Two of these responses were wholly confidential. The other 15, available at <http://www.ofcom.org.uk/consult/condocs/numberingreview/responses/>, were from:

- Cable & Wireless
- Cellbyte
- Central Office of Information (COI) \*
- COLT Telecommunications
- Federation of Communications Services
- Flextel
- Frank Selkirk
- Intelligent Number Working Group
- Lexgreen Services Ltd
- Mobile Broadband Group
- PNC Telecom Services Ltd
- Redstone \*
- Scottish and Southern Energy plc
- T-Mobile
- Vodafone

\* Part of these responses were confidential



## Annex 11

# Glossary

**Area Codes:** The area code is that part of the telephone number that specifies the local telephone exchange to which a subscriber is attached. Telephone numbering plans assign area codes to local exchanges to enable the routing of calls between subscribers attached to different local exchanges.

**CLI:** Calling Line Identity is an identifier that allows a subscriber to determine the telephone number of the party who has called or is currently calling them. The Calling Line Identity is sent from the calling subscriber to the called subscriber during call initiation.

**Communications Act 2003:** This established Ofcom, set out its duties, and the powers which Ofcom has to discharge those duties.

**CP: Communications Provider:** a Person who provides an Electronic Communications Network or Electronic Communications Service.

**DDI:** Direct Dial-In is a feature offered by telephone companies for use with a customer's PBX system, whereby the CP allocates a range of numbers to the PBX. A call to a number allocated to a PBX is routed directly to the called party's telephone extension number without the need for the intervention of a switchboard operator.

**ECN/ECS:** Electronic Communications Networks/Services.

**European Directive:** European Directive is the (mutually binding) collective decision made by the member states, acting through their national Government Ministers in the Council of the European Union and the Parliament.

**Geographic Number:** A telephone number from the Plan where part of its digit structure contains geographic significance used for routing calls to the physical location of the network termination point of the subscriber to whom the number has been assigned.

**MVNO:** Mobile Virtual Network Operator is a mobile service provider that does not own its own spectrum and usually does not have its own network infrastructure. Instead, MVNOs have business arrangements with mobile network operators to buy minutes of use (MOU) for sale to their own customers.

**National Telephone Numbering Plan ('the Plan'):** Plan of the allocation and re-allocation of telephone numbers

**Non-geographic number:** Numbers which are used to identify a type of service rather than a geographical location. These services are sometimes referred to as Specially-Tariffed Services and include Freephone, local rate, national rate and premium rate numbers. Mobile and Personal numbers are also non-geographic numbers.

**NTS:** Number Translation Service, is the service of routing a telephone call with a non-geographic number to a hidden geographic or mobile number. NTS is commonly used to describe numbers beginning with 08, although technically this description also applies to numbers beginning with 09.

**Number Portability:** Number portability is a regulated facility which enables subscribers of publicly available telephone services (including mobile services) to change their service

provider whilst keeping their existing telephone number.

**Personal Numbering Service:** Service based on number translation which enables a customer to be called using a single 'personal' telephone number but to receive those calls at virtually any telephone number in the UK.

**PRS:** A 'Premium Rate Service' that is paid for through the telephone bill of a Subscriber and is charged at above average rates (e.g., above rates for calls to 08 numbers). The revenue for the call, which comprises the price of the telephone call plus the content, product or service, is shared between the CP and the provider of the content, product or non-communication service whether directly or indirectly

**PSTN:** Public Switched Telephone Network is an electronic communications network comprised of the interconnection of the world's circuit-switched public telephone networks.

**Ranges [Sub]:** A number range is a set of contiguous numbers of a specified or unspecified size. For instance 09 is the designated range for premium rate numbers, and 0908 and 0909 are sub-ranges that can currently be used for premium rate sexual entertainment services.

**Significant Market Power (SMP):** The Significant Market Power test is set out in European Directives. It is used by National Regulatory Authorities (NRAs) such as Ofcom to identify those communications providers who must meet additional obligations under the relevant Directive.

**Utilisation Rate:** in numbering terms, this means numbers used divided by numbers available.

**Wholesale line rental (WLR):** A regulatory instrument requiring the operator of local access lines to make this service available to competing providers at a wholesale price.