

Minutes of the 79th meeting of the Communications Consumer Panel

on 6 July 2011 at 9.30 hours

Riverside House, 2A Southwark Bridge Road, London SE1 9HA

Present

Consumer Panel

Bob Warner (Chair)

Fiona Ballantyne

Kim Brook (ex-officio member)

Colin Browne

Roger Darlington

Maureen Edmondson

In attendance

David Edwards

Fiona Lennox

Ofcom colleagues (items 3 - 7)

1. Declarations of interest

1.1 Drawing attention to a later agenda item on the BIS consumer landscape consultation Roger Darlington reminded members that he was a member of the board of Consumer Focus. Referring to the item on DAB radio he informed members that he was about to become chairman of the DCMS Consumer Expert Group that would advise on radio switchover.

2. Minutes of the meeting on 15 June 2011, matters arising and progress on actions

2.1 Members **APPROVED** the draft minutes for signature by the Chair.

2.2 Members had received an updated actions list.

2.3 Damian Tambini had redrafted the 'Philosophy paper'. It was **NOTED** that Consumer Focus intended to publish a "lessons learned" paper, which could be of interest to the Panel and to Damian Tambini. Bob Warner would copy the redrafted 'Philosophy paper' to members.

2.4 PhonepayPlus had replied to the Panel's queries about fines, raised at the previous meeting. Members **NOTED** that fines were set by an independent tribunal and that PhonepayPlus was comfortable that the level of fines was proportionate.

2.5 The Panel had submitted a response to Ofcom's 4G spectrum consultation and would submit an advice note shortly.

2.6 Ofcom would provide the Panel with a note to report back on London Underground mobile coverage issues. Bob Warner would also highlight the Panel's ongoing concerns about mobile coverage at his next 'catch-up' meeting with the Ofcom Chief Executive.

2.7 Members **NOTED** the information in the latest Panel Implementation Plan, providing a summary and strategic overview of Panel activities.

3. DAB update

3.1 Members had received copies of Ofcom's consultation *An approach to DAB coverage planning*. Initial member reactions were:

- the main issues for consumers would be a deadline for a radio switchover and appropriate assistance to achieve that;
- increased DAB coverage implied more transmitters and raised the question of how they would be funded.

3.2 An Ofcom colleague joined the meeting and discussion touched on further issues:

- a national newspaper had recently reported that DAB accounted for around 16% of total radio listening; this was thought to be an underestimate, with 20% a more likely figure;
- DAB conversion for car radios remained work in progress and there was constant development of new conversion devices;
- a target of 99% of the time for 99% of locations for DAB road coverage appeared to be set deliberately high but significant build-out was required as a spur to DAB take-up;
- DAB did not appear to be as compelling a proposition for consumers as digital TV;
- it was expected that the commercial sector would meet transmitter costs where commercially viable; the Government would then need to consider the funding of further roll-out, eg via BBC licence settlement;
- dual FM and DAB transmission costs were not sustainable in the long term and whitespace devices could fill the FM band in the future;
- it remained to be decided whether radio switchover would be phased in on a region by region basis.

3.3 The Panel took the view that there should be no switchover until DAB provision was on a par with current FM services and that there should be adequate DAB coverage in all editorial areas. With respect to Ofcom's consultation, the Panel would not respond from a technical perspective but was in agreement with Ofcom's approach, assumptions, principles and its proposal to explore further changes to frequency allocations as a way of improving DAB coverage.

4. Switching research

4.1 An Ofcom colleague joined the meeting and presented a set of slides to outline Ofcom's current thinking on its Consumer Experience and Switching Tracker research plans. Members' reactions were:

- a desire to be involved with Ofcom's evaluation of research findings;
- with recent changes to the makeup of the UK population it would be useful to look again at the meaning of ethnicity and related patterns of use of communications services;
- a request for data on the % of the population that did not have switching options.

4.2 Members **NOTED** that Ofcom would welcome any further feedback on its Consumer Experience and Switching Tracker research proposals by 22 July.

5. Switching policy update

5.1 Members had received a paper and annexes on Ofcom's consumer switching review, including details of fixed-line switching process options and initial high level assessment of the options. Members' reactions were:

- consumers required a switching process that was effective and easy to manage;
- the aim should be a consistent switching approach across communications services;
- many customers no longer received papers bills and this could be an issue if a Unique Service Number (USN) model was adopted, ie raising the question of how customers would keep track of their USN;
- in its assessment framework it would be useful if Ofcom were to make specific reference to bundled services and the switching issues that arose in that context.

5.2 Members **NOTED** that Ofcom intended to consult in September and was in the process of finalising the costs of the switching options. Further consultations were planned as part of the switching review. A statement was expected in the first quarter of 2012/13, signalling implementation of processes but giving industry a year to make this happen.

6. Internet use and attitudes

6.1 Members were provided with copies of *Internet use and attitudes - 2011 Metrics Bulletin*, which was about to be published, and an Ofcom colleague joined the meeting for discussion. The document provided data on who was online and the breadth of activities of people's internet use; information on attitudes to internet safety and understanding of issues relating to protection and privacy; and information about levels of interest among non-users. In relation to the document's format, it was noted that the use of the colours red and green to indicate positive/negative progress was unhelpful for people with some types of colour blindness. In relation to the document's content, a key finding was that internet usage was up by 3%, to 80%, as was broadband take-up, up to 74%. It was **NOTED** that a sizeable proportion of consumers were under the impression that the internet was regulated, borne out by Ofcom's media tracker research; this could suggest a false sense of security.

7. Online copyright infringement research

7.1 Members had been provided with a summary paper and copies of an Ofcom commissioned research report: *Qualitative research into online digital piracy*. Ofcom expected to publish in September. There was brief discussion of issues including illegal downloads, changing business models and consumer behaviour. The Panel **AGREED** that it would return to this topic nine months hence.

8. Communications update

8.1 The Panel **NOTED** the contents of a written update, including coverage of the Panel's work in the media.

9. BIS consultation

9.1 Members had been provided with a summary paper outlining consumer advocacy points and copies of the BIS *Empowering and protecting consumers* consultation. The Chairman provided feedback on his recent meeting with the Chief Executive of Citizens Advice. Roger Darlington gave brief feedback from the perspective of Consumer Focus.

9.2 It was **AGREED** that the Panel would consider its response to the consultation, due by 27 September, and a conference call organised should that be required.

10. Any Other Business

10.1 Fiona Lennox gave a brief update on progress and arrangements for the IIC/Panel's online data roundtable event which would be held on 18 July. Fiona Lennox updated Members on the net neutrality developments in the Netherlands and would email a link to further details. Kim Brook reported that he would take part in Ofcom's Consumer Experience event in Wales on 4 August. There was no other business.