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Section 1

Introduction

Ofcom receives and monitors complaints from consumers who are dissatisfied with their experience in the communications sector. It uses this data both to take enforcement action against specific companies that are breaking existing Ofcom rules and also to highlight problem areas where new rules may be needed to protect consumers.

Ofcom does not have the power to resolve individual consumer complaints about telecommunications services, unlike for TV and radio. However, we provide advice to individual complainants and refer them to the two Alternative Dispute Resolution (ADR) schemes that we have approved.

The two Ofcom-approved schemes are: Ombudsman Services: Communications (OS) and the Communications and Internet Services Adjudication Service (CISAS).

This bulletin includes complaint trends for some of the key areas of consumer dissatisfaction and complaints made to the Telephone Preference Service (TPS) about unwanted marketing calls.
Section 2

Consumer complaints overview

Ofcom monitors the complaints it receives from consumers and categorises them.

Figure 1 shows monthly complaint trends for some of the key areas of consumer dissatisfaction over the past 13 months.

Figure 1. Consumer complaints summary, October 2011 – October 2012

Mis-selling/Slamming – Fixed line and Mobile

There are various ways that providers of communications services can mis-sell to consumers. These can include pretending to be another company; not providing correct costs; and not giving consumers the full story on minimum contract periods, or penalty charges should consumers choose to exit the contract early.

Also, if a consumer receives a bill from a phone company they have not signed up to, it is possible they have been ‘slammed’. In other words, they are simply switched from one company to another without their express knowledge and consent.

Another issue in this area is ‘erroneous line transfers’. These happen as a result of consumers having their lines switched accidentally, often to a next door neighbour. This appears to be a systems error, which the Office of the Telecoms Adjudicator is looking into and working towards a solution.
Ofcom introduced strict rules (General Conditions 23 & 24) which ban all forms of mis-selling for mobile and fixed line telephone services, respectively. Compliance with these rules is actively monitored through complaints made to the Ofcom Contact Centre and, for General Condition 24, through its enforcement programme. Ofcom can take action against phone companies which break these rules and has the power to impose fines of up to 10 per cent of their turnover.

Consumers play a vital role in helping Ofcom to tackle mis-selling as complaints can assist us in deciding when to take action. Complaints about fixed line mis-selling/slamming can be registered here. Complaints about mobile mis-selling can be made by calling the Ofcom Consumer Team on 0300 123 3333.

**Complaints Handling**

Ofcom receives complaints from consumers about how communications providers have handled their problems including: the amount of time they have to queue on the telephone, not receiving responses to letters or emails, not being able to escalate complaints, and the quality of staff.

Most communications providers view customer service and complaints handling as key components of their operations and will endeavour to treat their customers fairly.

Ofcom’s role is to ensure that when something goes wrong, consumers are able to find out easily how to make a complaint and to ensure that their provider has appropriate processes in place to receive and handle their complaint.

Ofcom requires all providers to have complaints handling procedures that conform to the Ofcom Approved Code of Practice for Complaints Handling. All telecoms providers must also be members of an Ofcom-approved Alternative Dispute Resolution (ADR) scheme, which act as a middleman between consumer and provider. Disputes that have not been resolved within eight weeks, or earlier if the provider sends their customer a ‘deadlock’ letter, can be taken to ADR.

Advice for consumers on how to complain about their communications provider can be found here.

**Early Termination Fees**

Most telecoms contracts are of a minimum length and should a consumer wish to terminate the contract earlier, providers can impose an early termination charge. These types of charges are allowed, but they must also be fair.

Ofcom has published Guidance on these ‘Additional Charges’ under the Unfair Terms in Consumer Contracts Regulations 1999 and opened an enforcement programme on 1 April 2009 to make sure companies are complying with the law.

Since then Ofcom has agreed with a number of providers, including BT, TalkTalk and Virgin Media, that they would reduce the charges they levy on consumers for leaving their landline (or landline plus broadband) contracts early.

Complaints about additional charges can be made by calling the Consumer Contact Team on 0300 123 3333.
Section 3

Abandoned and Silent Calls

The majority of abandoned or silent calls are not calls made by people making prank calls. They are, more usually, caused by the use of technology called ‘predictive diallers’. Organisations use automated predictive diallers to maximise the amount of time their call centre agents spend speaking to consumers.

Predictive diallers may be used by many types of companies, including telemarketing companies, market research companies and debt collection agencies. They are intended to work by dialling telephone numbers automatically, then connecting the call recipient to a call centre agent as soon as they answer the phone.

If, for example, all the call centre agents are busy when the call recipient answers the phone, the customer may simply hear silence because the predictive dialler has already terminated the call. The consumer may therefore experience annoyance, inconvenience or anxiety, particularly if they think they are being targeted in any way. This type of call is considered to be a ‘silent call’.

Technology used by companies to detect answer machines may also generate silent calls. For instance, the technology may mistake a call recipient for an answering machine and cut off the call without the call recipient hearing anything.

To reduce harm to recipients of these calls, Ofcom requires companies to play an information message if they do not have an agent available to take the call when it is answered. This message must explain who has made the call and provide a number for the call recipient to call to opt-out of receiving further calls.

We refer to a call accompanied by an information message as an ‘abandoned call’. Ofcom has requirements regarding the use of automated diallers and has an enforcement programme to make sure organisations are complying with the requirements.

Ofcom also introduced new requirements to stamp out repeat silent calls, where call recipients receive more than one silent call from the same company. The new requirements will prevent a company using answer machine detection technology more than once a day if an answer machine is ‘detected’ on the first attempt.

If companies are found to be in breach of the requirements, Ofcom can take enforcement action, including fining companies up to £2m. This year, Ofcom has taken action against HomeServe and fined it £750,000 for persistent misuse of an electronic communications network or service. Ofcom is still investigating npower and TalkTalk.

See here for more information on the action that Ofcom has taken.

Complaints from consumers provide evidence which informs Ofcom’s enforcement work to crack down on these types of nuisance calls. We use it to identify those companies that may not be compliant with our guidelines. Since peaking in July, consumer complaints made to Ofcom about silent and abandoned calls decreased by 23 per cent to October 2012 (see Figure 2).

Ofcom remains committed to working to increase awareness among consumers about our work on silent calls and, where we find there to be systematic breaches of our regulations, we will exercise our powers and take appropriate action.
Figure 2. Consumer complaints to Ofcom about silent or abandoned calls, October 2011 – October 2012

Ofcom guide on nuisance calls and messages

Ofcom has also recently published an in-depth guide for consumers on how to protect themselves against nuisance calls and messages and how to make a complaint.

The guide has been written in collaboration with the Information Commissioner’s Office (ICO), the Office of Fair Trading (OFT), the Ministry of Justice and the Telephone Preference Service (TPS). It has also been endorsed by consumer groups including Citizens Advice, Consumer Focus, the Communications Consumer Panel and the National Consumer Federation.

Complaints about receiving abandoned and/or silent calls can be registered here.
Section 4

Complaints to the Telephone Preference Service about unwanted marketing calls

Consumers often receive unsolicited marketing calls from businesses. If they do not want to receive such calls, they can register their number with the Telephone Preference Service (TPS). The TPS maintains the register of persons who do not want to receive marketing calls on Ofcom’s behalf.

Figure 3 shows the number of complaints made to the Telephone Preference Service (TPS) about unwanted marketing calls. In order for a complaint to be recorded, the person concerned must have been registered with the TPS for at least 28 days. This allows call centres to obtain the latest version of the register.

Since July 2012, complaints made to the TPS decreased by 28 per cent compared to the number complaints recorded by the TPS in October 2012.

The Information Commissioner’s Office (ICO) is responsible for taking enforcement action where a company makes marketing calls to a person who is registered with the TPS and has not given prior consent to receive such calls to that company. The ICO recently served monetary penalties totalling £440,000 on two owners of a marketing company responsible for sending millions of unlawful spam texts over the past three years.

It has also listed the ‘top ten’ worst offenders for making unsolicited calls and is expecting these companies to address concerns about their cold-calling tactics. Ofcom welcomes the action being taken by the ICO.

Consumers can complain directly to the ICO here.
Figure 3. Consumer complaints to the Telephone Preference Service (TPS), October 2010 – October 2012