In August, Ofcom announced new measures to help consumers change landline and broadband providers with greater ease and convenience.

Consumers currently face a number of different switching processes depending on which provider they are moving from and to, or the type of service being switched.

Not only do complex switching processes cause confusion, they also increase the perception that switching is difficult, which can prevent consumers from moving to a better deal.

To resolve these problems, Ofcom has decided that switches on BT’s Openreach network will be simplified to a single process where the ‘gaining’ provider leads the transfer on behalf of the consumer.

Under this gaining provider led process, consumers will no longer need to contact their existing provider to receive a code in order to switch provider.

Ofcom has also set out additional measures to help prevent consumers losing their service during the changeover process or being switched without their consent.

Ofcom is currently consulting on the detail of putting these improvements in place, via a change to regulatory rules (known as ‘General Conditions’) and on timescales for changes.

Ofcom aims to finalise these details at the end of 2013, with the new process coming into effect a year after that.

Industry challenged to deliver on switching

At a recent conference hosted by Ofcom and the Communications Consumer Panel (see page 3), Ed Richards, Chief Executive of Ofcom, called on industry to work with Ofcom to make it simpler for consumers to change communications providers.

He raised concern that, despite the UK having one of the most competitive communications markets in the world, consumers cannot take full advantage of the choice available due to difficulties with changing provider.

Mr Richards described the initial work to improve the switching experience for consumers as “a step in the right direction”, but called for further action from industry to help “to remove the remaining barriers to switching”. He said this should include looking at issues for consumers switching between bundles.

A full transcript of Ed Richards’ speech can be found here.
**Action plan to tackle nuisance calls**

**Ofcom and the Information Commissioner’s Office (ICO) recently published a joint action plan to tackle the issue of nuisance calls and help protect consumers.**

The plan represents a formal commitment from both organisations to work in partnership on a series of initiatives covering a range of areas. It also summarises key work carried out by the ICO and Ofcom in recent months to address the issue of nuisance calls.

Important priorities for the ICO and Ofcom include:

- targeted enforcement action;
- improving call and message tracing processes to track down those responsible for making nuisance calls;
- an assessment of the impact of the Telephone Preference Service (TPS) on the level of unsolicited live sales and marketing calls, to understand how well the TPS is currently working for consumers; and
- publication of revised industry guidance on marketing consent to include detailed advice on appropriate methods of consent, the limitations of indirect third-party consent, time limits, and the need for records of consent.

**Targeted enforcement action**

**Ofcom research** suggests that calls about Payment Protection Insurance (PPI) claims accounted for the largest proportion of unwanted calls (22%) where the product or service could be identified. As part of its ongoing enforcement activity, Ofcom is therefore investigating suspected abandoned and silent calls made by companies in the PPI/claims management sector.

Ofcom recently served a **notification** to Redress Financial Management Ltd, setting out its reasonable grounds for believing that the company made an excessive number of abandoned calls to consumers between 15 August and 15 November 2012.

Ofcom’s market research also found that for 75% of silent calls and 61% of abandoned calls, the telephone number of the caller was not provided. This meant that, in the majority of cases, it was not possible for consumers to easily identify who had made the call and opt-out of receiving future calls. Ofcom is therefore also focusing enforcement action against organisations that fail to provide consumers with the information they need to contact the caller after receiving an abandoned or silent call.

Ofcom has also taken informal enforcement action against a range of organisations. In the first six months of 2013, Ofcom has taken such action against 11 organisations following consumer complaints about abandoned and silent calls. As a result, complaints about the numbers used by seven of those organisations have stopped, and complaints in relation to the remaining four have fallen significantly.

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**The reinvention of the 1950s living room**

**Huge growth in take-up of smartphones and tablets is creating a nation of media multi-taskers transforming the traditional living room of our parents and grandparents into a digital media hub.**

**Ofcom’s Communications Market Report 2013**, published in August, revealed that people are still coming together to watch TV in the living room – 91% of UK adults view TV on the main set each week, up from 88% in 2002.

However, an increasing array of digital media is now vying for their attention. People are streaming videos, firing off instant messages and updating their social media status – all while watching more TV than before.

These activities are mostly carried out using smartphones, with over half of adults (51%) now owning these devices, almost double the proportion two years ago (27%).

At the same time, tablet ownership has more than doubled in the past year, rising from 11% of homes to 24%. The average household now owns more than three types of internet enabled device, with one in five owning six or more.

A slideshow of how the living room is being transformed into a digital media hub can be found [here](#).
The Consumers and Citizens in the Communications Sector conference brought together dozens of representatives from across industry and consumer groups. The purpose of the conference was to discuss issues facing citizens and consumers in communications markets.

Jointly hosted by Ofcom and the Communications Consumer Panel, the conference featured a keynote speech from Ofcom Chief Executive Ed Richards, along with addresses from Communications Consumer Panel Member Mairi Macleod and Peter Eberl of the European Commission.

There was also a panel discussion examining how communications markets are currently working for consumers and how this may develop in the future. Panellists included:

- **Mike Dixon**: Assistant CEO at Citizen’s Advice.
- **Lord Inglewood**: Chair of the Lords Communications Committee.
- **Pamela Learmonth**: CEO at the Broadband Stakeholder Group.
- **Tom Savigar**: Chief Strategic Officer at the Future Laboratory.
- **Dr Damian Tambini**: Senior Lecturer at the London School of Economics.

Video clips from the conference will appear on the Ofcom website shortly.

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**Average UK broadband speed continues to rise**

**Ofcom research published in August reveals the average residential UK broadband speed reached 14.7Mbit/s in May 2013.**

Ofcom’s latest report into fixed-line residential broadband speeds shows that the average actual UK speed has risen by 22% (2.7Mbit/s) in the six months to May 2013, and 64% (5.7Mbit/s) in the year since May 2012.

The report also shows that the average broadband speed has more than quadrupled since Ofcom first began publishing speeds data in November 2008 – an increase of 309% (or 11.1Mbit/s).

Take-up of ‘superfast’ services and providers’ automatically upgrading customers on to faster broadband packages continued to drive the increase in the national average speed.

**Mystery Shopping research**

Ofcom recently carried out mystery shopping into whether internet service providers are giving consumers relevant information about expected broadband speeds.

This research is designed to check ISPs’ compliance with Ofcom’s Voluntary Code of Practice on Broadband Speeds and has revealed that the information being provided to consumers during the sales process is mostly improving.

The research shows that in 96% of telephone enquiries, mystery shoppers were provided with an estimate of the broadband speed. This compares to 93% when Ofcom last completed mystery shopping research in 2012.

The research also identified some areas for improvement with ISPs providing speed estimates without prompting in only 68% of calls.

Although performance has improved since 2012, when 59% of mystery shoppers received speed estimates without having to prompt sales agents, some further work is required by ISPs in this area.

As a result of the mystery shopping research, Ofcom is taking action to address specific areas of concern and to further improve broadband speeds information for consumers. Ofcom will be:

- ensuring ISPs take the necessary actions to improve compliance and reinforcing the Code’s requirement for sales agents to offer a speed estimate as early as practicable in the sales process;
- conducting further mystery shopping to monitor performance and assessing how those ISPs with weaker areas of compliance have addressed them; and
- undertaking a full review of the Code to ensure that it best serves consumers’ needs, taking particular account of increased take-up of superfast broadband packages.
New consumer guide on internet ‘Traffic Management’

Ofcom recently published a new guide to help consumers understand the ways in which fixed-line and mobile internet service providers (ISPs) might manage their broadband services during busy peak periods.

With 46 million people in the UK having access to broadband and many using it for data heavy activities such as streaming and downloading, the internet is becoming increasingly busy.

To ensure that networks operate efficiently, ISPs can restrict or ration traffic on their networks, or give priority to some types of traffic over others. This is known as ‘traffic management’.

To help consumers better understand this practice, Ofcom’s Guide to Traffic Management highlights:
• the different ways ISPs can manage internet traffic;
• the circumstances when traffic management policies might be put into practice;
• how traffic management can affect consumers’ online experience; and
• ISPs’ individual traffic management policies.

Consumer research on broadband usage and traffic management

Ofcom has also published new research to understand how consumers are buying and using fixed broadband services, and their knowledge of traffic management policies.

This research forms part of Ofcom’s review of the Broadband Stakeholder Group’s (BSG) Traffic Management Transparency Code to ensure it is working effectively for consumers.

ISPs that sign up to the Code agree to provide meaningful, useful and comparable information for consumers about their traffic management policies.

Ofcom has asked the BSG to consider the research findings which identified a number of ways in which the quality of existing traffic management information could be further improved.

Ofcom also plans to discuss the results of the research with consumer representatives and industry to explore ways of improving awareness of traffic management.

Supatel fined £60,000 for ‘slamming’

Ofcom recently fined Supatel Limited £60,000 for the practice of ‘slamming’, in breach of Ofcom’s rules.

Slamming occurs when a consumer is switched from one company to another without either their express knowledge or consent. This practice is a breach of General Condition 24, which covers fixed line mis-selling.

Ofcom has notified Supatel Limited of the steps it must take to comply with the rules and to remedy the consequences of the breach. This includes allowing affected customers to end their contract and paying compensation to them where appropriate. The Confirmation Decision can be found here.

COMING UP...
• Decision statement on Ofcom’s review of its Price Comparison Accreditation Scheme.
• Decision statement on non-geographic numbering.
• Decision statement on how to protect consumers against mid-contract price increases.

CONTACT US

We’d really welcome your views on our Consumer Bulletin. Please e-mail rapinder.newton@ofcom.org.uk or call 020 7783 4897 if you have any views on how we can improve the next issue.