



## Internet Telephony Services Providers' Association

### ITSPA Response to Ofcom consultation on the future of telephone numbers

#### **About ITSPA**

The Internet Telephony Services Providers' Association ("ITSPA") represents over 100 UK businesses involved with the supply of next generation communication services over data networks to industry and residential customers within the UK. Our traditional core members are IP networks and service providers. ITSPA pays close attention to both market and regulatory framework developments on a worldwide basis in order to ensure that the UK internet telephony industry is as competitive as it can be within both national and international markets.

Please note that certain aspects of the ITSPA response may not necessarily be supported by all ITSPA members. Individual members may respond separately to this consultation where a position differs. However, the ITSPA Council is confident that this response reflects the views of the overwhelming majority of ITSPA members.

A full list of ITSPA members can be found at <http://www.itspa.org.uk/>.

#### **RESPONSE**

ITSPA's response to the questions set out in the consultation document can be found below.

**Question 2.1: We have set out developments in voice telephone services that are important in shaping our review of the future use of numbers to promote consumer confidence. Do you agree that these are the key considerations? Do you have any comments on our analysis of these developments? Are there any other developments or considerations that should be part of shaping this review, and if so, in what way?**

We believe that it is too early to take a view. With emerging technologies still being developed and implemented, a watching brief is probably the best course of action.

**Question 3.1: What are your thoughts on the ability to dial local numbers from a landline without the area code? Do you think the local dialling facility has value?**

The change in telephony service usage does suggest that local dialling does not have any value in today's environment:

- The prevalence of the use of mobile phones where, by definition, a full number has to be used to make a call means that habitually people are used to dialling the area code each time.



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- Business fixed line users are used to dialling the full number from their desk phone regardless of their location, a situation further compounded by the advent of Roaming Voice over IP where their service is not dependent on a fixed location.
- We do not believe that compliance with the current requirement is ubiquitous, meaning it is not a universal service and whilst many Communications Providers ("CP") portfolio do support it, there is no universality of it outside the major domestic fixed line providers. Of course, the potential for harm for non-compliance amongst any business providers is wholly insignificant given the manner in which their services are consumed.

However, in support of local dialling we believe there is a clear generational divide on its value; Ofcom will have access to data from the closure of local dialling in other areas and relationships with the Office of the Public Guardian and representative groups of the older demographics.

Whilst it may be pragmatic to close local dialling when numbering supplies are about to be exhausted, it is another thing when the change is largely just simplicity. We recognise that Ofcom will have to assess the harm to older, perhaps more vulnerable, users and make a judgment, exercising its statutory duties, accordingly.

#### **Question 3.2: Do you think local dialling should be closed on an area by area basis as required to increase number supply or across the whole of the UK at the same time? Why do you think this?**

If the decision is taken to close local dialling then it should be carried out on a national basis. To close local dialling on an area by area basis would introduce inefficiencies in both the communications of the closure and the implementation.

#### **Question 3.3: Do you have any views on allowing telecoms providers to make individual decisions on whether to provide customers with the ability to dial local numbers from a landline without the area code?**

We see no reason why individual providers couldn't make such product decisions, however, there is a risk of harm in doing so. The reason that local dialling closure frees up numbering supply is that it means subscriber numbers starting with a 0 (trunk prefix) or a 1 (first digit of a Type C Access Code) can be used; providing another 2 million numbers per area code.

There is a risk that certain numbers being dialled without the area code, for example a number ending in 118118, may create bill shock.

Whilst modern IP switches can handle varying lengths of numbers in their processing and routing (on the basis of waiting for additional digits before starting the signalling), we would suggest steps are taken in terms of the National Telephone Numbering Plan to avoid future harm:

- Leave in protected status any blocks that commence with the same digits as a Type C Access code; which would be 118\* and 116\*.



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- Consider whether a similar exercise needs to be performed with three-digit access codes, like 111\*, 105\*. We assume there is a mechanism protecting 999 and 112 today.

#### **Question 3.4: For telecoms providers, what are your thoughts on the ability to implement the closing of local dialling in all UK area codes simultaneously?**

Technically it is not considered to be a problem; it wasn't for the last two rounds and the incremental effort to do all areas is very modest indeed. The real effort is expended in communications, which for business users is not considerable – we do not recall experiencing any problems in the last two closures.

#### **Question 3.5: For telecoms providers, what are your views on the technical feasibility of providing local dialling to customers when offering an IP-based voice service?**

It depends on what level of provision is desired. If it is to associate the area code where a roaming VoIP user is located at the time the call is made, then that requires geotagging to derive an area code which may not be 100% accurate. If it is just inserting the area code of the customer's inbound phone number associated with the CPE, then that is how some CPs comply with their obligations today and is in fact the same process that a BT DLE executes for a CPS call.

In addition, business customers taking either SIP trunking or a "hosted PBX" style service from CPs commonly have a dial plan configured where numbers dialled beginning with "0" are considered external calls, and "1-9" are considered internal calls. This may mean that local dialling could not co-exist such a configuration; in fact, we understand Ofcom's London PBX is configured in such a way and is an example of why local dialling is not feasible for all business customers.

#### **Question 3.6: What do you consider are the important factors about geographic numbers? For example, is it the information they provide about the caller/called party? Is it familiarity, trust or confidence in call cost?**

All of the above.

As it is an easy way for a small business to promote an association with the town in which they are working, there is a value in local numbers for such businesses. The value can be further demonstrated by the weight places on 0207 over 0208/3 by London-based businesses. The demand that industry receives for specific E digit in areas where there are subcodes also supports the demand for geographic numbering.

There is the obvious trust in the price aspect. Geographic numbers are universally recognised as being at a certain price point.

Finally, it also allows for the routing of calls based on location information; for example, to a local bank branch for an inbound call to a national number.



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**Question 3.7 What are your thoughts on retaining area codes in geographic numbers? Do you think location significance in geographic numbers has value and should be preserved? If so, why? How might your view change over time?**

As mentioned above, there is a substantial value still held in the area code by elements of the public.

We recognise there are some generational demographics at work in the perception of an area code, especially with mobile only households. We would suggest that when the demand for 0207 dissipates and 0203 is accepted readily in its place, that the time might come to revisit the issue.

Any “big bang” renumbering away from local numbers could incur tremendous cost in reprinting/advertising. Alternatively, if Ofcom were to ‘close’ the further allocation of local numbers, either nationally or on a phased area by area basis, this could create “number disparity” with existing business users of local numbers unable to acquire additional numbers similar to existing local DDI ranges, and a potential perceived difference between business customers who have local numbers and those that don’t, as per the 0207 vs 0203 association referenced above.

**Question 4.1: What are your thoughts about 084 and 087 numbers? What are the benefits and/or disadvantages of contacting an organisation by calling an 084 or 087 number? Can you tell us of any experience you’ve had calling these numbers? Have you expressly chosen not to call a service that uses these numbers? If so, what led to that decision and how did you choose to make contact instead (if you did)?**

There remains a substantial volume of traffic on these numbers, certainly in business to business calling. The micropayment mechanism is still valued by useful and beneficial services such as international call forwarding, conferencing services and others. It is important to note that the basic rate requirement in the Consumer Rights Act 2015 does not apply to business to business dealings and importantly, there are a number of exemptions to it.

ITSPA members’ experience of receiving complaints about the 084/7 numbers on their networks are predominantly around complaints about the Access Charge, which can be 100% of the cost of the call at an absolute charge of 55p per minute; even at a 13ppm Service Charge it represents 81% of the total cost of the call.

Ofcom’s continuing attempts to undermine the terminating end of the NGCS value chain, despite clear evidence showing that bill shock and uncertainty around the ranges is predominantly caused by the excessively high Access Charges set by the major mobile originators, is counteractive to the efforts to promote competition and prevent consumer harm.

**Question 4.2: We are interested in hearing from people who use 084 or 087 numbers as a contact telephone number. If you use one of these types of numbers as a means of contacting your service, why did you choose to do so? What do you think about using these numbers in the future?**



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N/A

**Question 4.3: For telecoms providers, we are interested in hearing from providers that offer services on 084 and 087 numbers to their customers. If you do, can you provide some examples of use cases? What benefits do you offer to organisations in using 084 and 087 numbers rather than other numbering options? For originating providers, do you have any customer experience of attitudes towards and views on calling 084 and 087 numbers that you can share?**

As mentioned above, one of the major issues is around the Access Charge analyses of this.

The Payment Services Directive II does not apply to 084/7 services, whereas it does for other financial transactions, and therefore NGCS provides a convenient way for small businesses to receive income as it is independent of credit cards and other payment services which are increasingly becoming more heavily regulated.

**Question 4.4: Are there changes to 084 and 087 number ranges that you think Ofcom should consider proposing to address the concerns highlighted in the research summarised in paragraphs 4.17 to 4.26?**

Ofcom appear to suggest in the Consultation that the rules on advertising 084/7 are not being enforced; we would respectfully suggest that Ofcom and the ASA undertake a program of work in this area prior to making any radical decisions. The regulator has already implemented several changes to the NGCS regime. We would argue that four years from implementation is more than enough time for even vans to have had their signage redone, so there is likely a very limited number of excuses for not following the rules.

If the harm or uncertainty arising is that consumers are unaware of the Access Charge, then other remedies can be visited, such as making the Access Charge much clearer at the point of sale.