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**BT'S RESPONSE TO OFCOM'S CONSULTATION  
REGARDING "PREMIUM RATE SERVICES:  
REVIEW OF NUMBERING ARRANGEMENTS"  
ISSUED 8 APRIL 2004**

BT would welcome any comments on on the contents of this document which is also available electronically at <http://www.btplc.com/responses>

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## EXECUTIVE SUMMARY

ES1. BT welcomes Ofcom's review of the numbering arrangements for Premium Rate Services. BT agrees with Ofcom that many of the categories and sub-categories that exist behind 09 are not well known to consumers. Also, there is little reason to believe that consumers would derive much benefit were they to understand the framework better. As such, given the numbering inefficiency generated by the sub-structure, BT agrees with Ofcom's view that simplification would be desirable. This is both from a number husbandry perspective, and so that unimportant information does not obscure helpful discrimination embedded in the sub-structure.

ES2. Particularly, BT agrees that the content/non-content split between 090 and 091 should be abolished.

ES3. BT believes that there may be public benefit in maintaining the adult/non-adult split, where it might enable consumers to better monitor the usage of their line. However, BT believes that there is a down-side to this, as customers sometimes become particularly defensive during conversations concerning the nature of disputed calls to 0908/9 numbers on their bills, because of their nature rather than simply the cost etc.

ES4. BT believes that it might be helpful for calls costing more than £1.50 per minute or £1.50 fixed fee, should they be sanctioned in future, to be in a distinct range, say 092, as consumers may come to value awareness or be able to bar calls to such numbers more easily. There may also be advantages in relation to controlling such calls from public payphones, to reduce fraud.

ES5. BT agrees that the current designation of the 092+ space should be changed, however BT would be reluctant to see 10% of the UK's numbering space (ie all of 09) set aside for Premium Rate Services at this stage. BT suggests that in addition to the possible use of 092 for HRPRS, only 093 and 094 should be specifically set aside for PRS expansion, without being subject to further consultation. The rest of 09 should be undesignated, in the same fashion as 04 and 06.

## Introduction

1. This paper presents BT's response to Ofcom's consultation on numbering for Premium Rate Services.
2. BT recognises the growth in Premium Rate Services (PRS) over recent years, and the proliferation of tariffs and number block allocations in 090. The sub-structure in 09 is rather complicated, and like Ofcom we do not believe in the main that it is well understood or much valued by either customers or industry.
3. BT agrees with Ofcom that the time is not right to consider an increase to the tariff granularity from the 100k level. Whilst the numbering inefficiencies that this creates are acknowledged, BT believes that, if implemented, the initiatives put forward by Ofcom in this consultation would be far more cost effective and would have far more impact on addressing the number husbandry of 09. BT additionally believes that these initiatives should encourage companies to return unused blocks to Ofcom, where they have more blocks than necessary at the same tariff.

## Rationalisation

4. *Answer to question 1* - BT agrees with Ofcom that there is a strong case for simplifying the structure of the 09 numbering space, and welcomes the formation of a single (ICSTIS based-) definition of Special Services at a premium rate for calls over 10p per minute or of a fixed fee above 10p.
5. *Answer to question 2* - BT welcomes the proposed removal of the distinction between 090 and 091.
6. *Answer to question 3* – BT agrees with Ofcom that there should be no forced migration from existing numbers where they are in use.
7. It is not clear whether Ofcom intended the phrase “future numbers would only be allocated in accordance with the new arrangements” to refer to allocations from Ofcom to range-holders or to allocations by range-holders to customers. BT believes that either would be broadly satisfactory, but would recommend the latter, as it would promote better utilisation. Taking this line would mean that the ranges would become subject to the terms of Ofcom's Code of Practice for Closed Ranges. Thus, many number blocks could be returned to Ofcom more quickly, as range-holders could not benefit from retaining unused blocks. Such releases would ultimately be in the national interest (and potentially range-holder's own interest, given Ofcom's ability in principle to charge for numbers in future). Clearly, such an approach would require a degree of enforcement by Ofcom, however it should not be overly burdensome.

## **Broadband Services (092+)**

8. *Answer to question 4* - BT agrees that this part of 09 should no longer be set aside for Broadband Services, 05 being a preferable alternative. However, BT believes that Ofcom's proposal is potentially profligate as it would result in almost 10% of the National Numbering Scheme being set aside for Premium Rate Services when only 090 and 091 have so far been used. 090 and 091 once combined as proposed here are far from exhausted. Consequently, BT suggests that only 092-094 be reserved for PRS at this time, with 095+ returning to "undesigned", with the same status as 04, 06, 081, 083 etc.
9. This would not preclude such blocks being designated for PRS in the future, however it would provide an opportunity for a national review of the merits of any case at the appropriate time.

## **Call Barring**

10. *Answer to question 5* - BT believes Ofcom's summary of the current availability of call barring options to be fair. However, whether or not sophisticated barring options are available today should not unduly influence the sub-structure for 09, as more sophisticated barring possibilities may emerge in future. That said, it is right for Ofcom to be mindful of the barring market and its history.

## **Cost and Content based sub-structure**

11. *Answer to question 6* – BT agrees with Ofcom that the distinctions within the content ranges are currently over-complicated, and therefore the sub-structure registers little public/consumer awareness and is largely unused for barring purposes. 09 has no cost sub-structure at present. BT believes that there might be some merit in a simple sub-structure combining cost and content, for example HRPRS (tariffs above £1.50 per minute or per call, should they be sanctioned in future) in one area (eg 092), chatline services and adult services continuing to occupy 0908/0909 (and 0928/0929, if adult HRPRS becomes permissible), with other services elsewhere in 09. However other distinctions within the Scheme currently could certainly be removed, probably with a total absence of adverse public/consumer reaction.

## **Cost based sub-structure**

12. *Answer to question 7* - BT agrees with Ofcom that cost is generally of greater concern to consumers and businesses than content. BT therefore believes that Ofcom's comments in para 4.16, (to the effect that removing the content distinction might help callers focus on what is their prime concern,

thereby creating a more meaningful and less number-hungry sub-structure) has merit. BT additionally believes that the PRS market would be more likely to continue to grow if customers had a greater understanding of the cost of calls. Thus, some sub-structure within 09 might help to achieve this.

13. It is worth noting that if a decision is taken now to absorb HRPRS tariffs within the 090 and 091 space, it would be almost impossible to un-pick this later. It is difficult to see why one would not wish to set aside a separate space for HRPRS, unless one was seeking to obscure the cost of calls, as to separate them out from the lower cost PRS would be no more number-hungry.

14. As such, the proposal to make 092 available for services costing more than £1.50 per minute or £1.50 fixed fee per call whilst removing all other distinctions makes good sense. However, BT can see why some consumers (possibly more than businesses) might see the removal of the adult services distinction as profoundly unhelpful.

### **Content based sub-structure**

15. *Answer to question 8* - BT agrees that for some customers, the ability to view a bill to monitor the use of certain content might be desirable. However, BT suspects that fewer people check for specific content (eg pay for product or adult services) than for cost. However, it is likely that some consumers have a greater level of awareness, for example those who have had previous bad experiences, and might want to know for example that their children are not accessing adult services. Equally, a proponent of a content- rather than a cost-based sub-structure could point to the wide variation of tariffs in 09 diverging by a factor of 10 to 15, theoretically between say 10.1p per call and £1.50 per call or per minute. This is not very much help, when looking at the number alone, say on a bill, without marketing material for the service for reference.

16. It is worth mentioning that a content based sub-structure can in fact be unhelpful to telecoms customer service staff dealing with a billing dispute. However well trained people might be, trying to skirt round the fact that the disputed calls appearing on the bill are of an adult nature can be very difficult indeed. Customers unsurprisingly can become defensive should they understand what is being implied, even where people are not being in any way judgmental. To that extent, not having adult services confined to one or two ranges might be less embarrassing all round.

17. If a content based sub-structure were to be maintained, it should be kept very simple. BT would suggest adult services and chat-lines should be the one and only sub-category, say with the B-digit 8 and 9 defining adult/chat/gambling etc services. Indeed, this might be extended to 08, which has its own "problems" with adult content, on which BT expected Ofcom to pass comment in this consultation.

## **No sub-structure**

18. *Answer to question 9* - Whilst the content-based sub-structure that currently exists does not fulfil its intended purpose, it does not mean that abolition of any sub-structure would be the best alternative option. However, it would certainly be the most beneficial for number husbandry. It is also probably true that were a simpler sub-structure devised and rolled out, the vast majority of people would almost certainly still not be interested.

19. However, whilst BT is not per se against abolishing the 09 sub-structure, it is perhaps a step too far. Even if only a minority of people derive a benefit from a sub-structure, there may be a case for one to be retained, at least for the foreseeable future. It might be that a simpler sub-structure should be put in place now, with a review in, say, three year's time. Abolition could take place then if the revisions made now (assuming not full abolition) fail to meet expectations.

## **Other Options**

20. *Answer to question 10* - BT believes Ofcom has discussed the available Options very clearly and exhaustively.

## **BT's preferences**

21. In principle, BT believes that customers should be able to derive useful information from the National Numbering Scheme, should they so wish. However, given the limited interest in the subject, BT would not necessarily plan to promote any new sub-structure to consumers any more actively than it does the current one. Nor would BT be likely to be in a position to revise further its call barring options to reflect any simplified sub-structure. But, BT would not oppose a sub-structure simply for these reasons.

22. There are four Options that BT believes Ofcom should consider, and BT would be largely content with any of them. They are listed in the order flowing from Ofcom's document

a) PRS with current ceiling in 090 and 091, HRPRS (if sanctioned) in 092. 0908 and 0909 retain their adult distinction (chatlines possibly also being integrated), 0928 and 0929 for higher rate adult services if sanctioned. This would be BT's favoured option, as it simplifies the sub-structure, keeping only the most essential elements, and would almost certainly be desirable in helping to combat fraud.

b) PRS with current ceiling in 090 and 091 (adult services being absorbed throughout the range), HRPRS in 092.

c) HRPRS integrated within 090/091, adult services (chatlines possibly also being integrated) remaining within 0908 and 0909.

d) Abolition of sub-structure. This would be BT's least favoured approach at the moment. However, if after the measures taken following this consultation, say one of those above, 09 is still exhausting, and consumers are not benefiting from the new sub-structure, then BT may well in future favour the abolition of any sub-structure, subject to any effect on the ability to combat fraud.