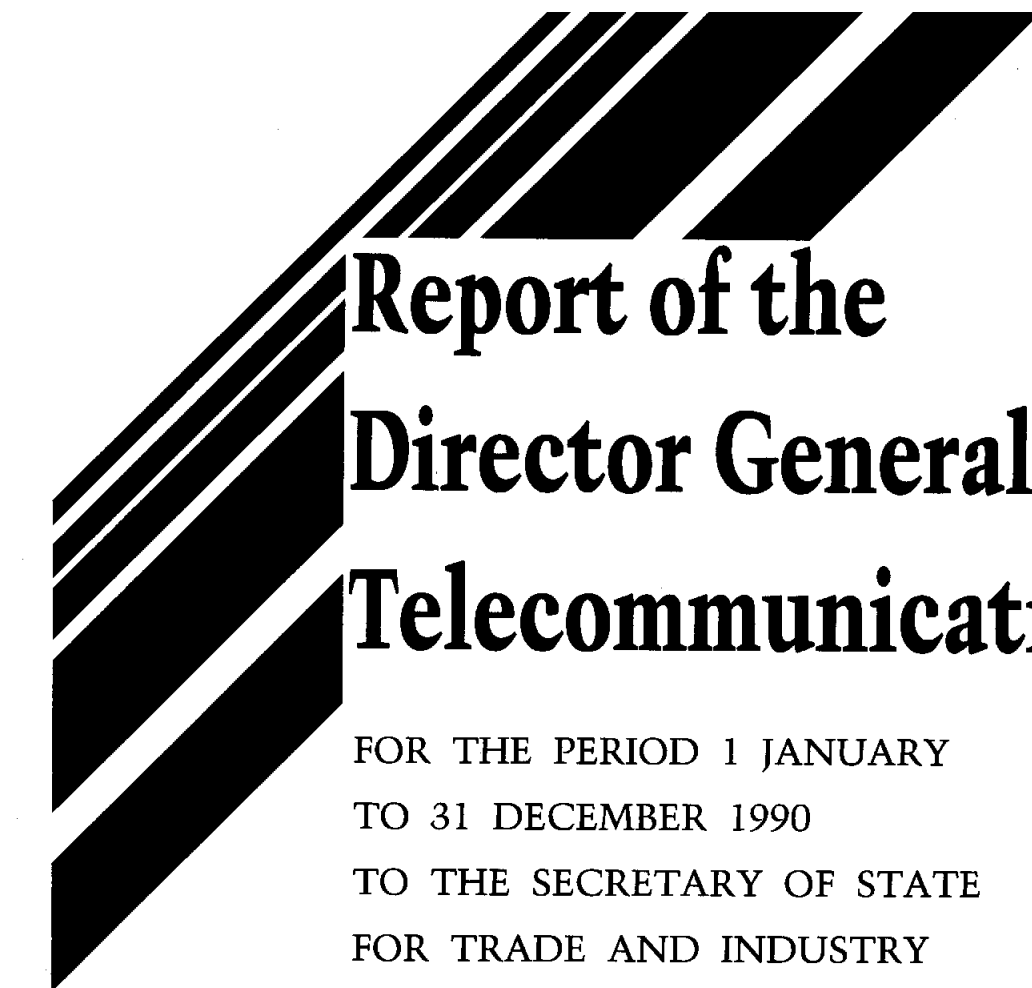


ANNUAL REPORT

1990

Office of
Telecommunications



Report of the Director General of Telecommunications

FOR THE PERIOD 1 JANUARY
TO 31 DECEMBER 1990
TO THE SECRETARY OF STATE
FOR TRADE AND INDUSTRY

*Presented to Parliament
in pursuance of section 55 of the
Telecommunications Act 1984
Ordered by the House of Commons
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Report of the Director General of Telecommunications to the Secretary of State

I am required, by section 55 of the Telecommunications Act 1984 (the Act), to make to you an annual report to 31 December in each year on my activities and the activities of the Monopolies and Mergers Commission (MMC) in so far as they relate to references made by me.

This Report covers the period 1 January to 31 December 1990. In the first section I comment generally on my activities during the period, with a particular emphasis on the conclusions I have reached as a result of the research and analysis OFTEL has done in preparing for the so-called Duopoly Review. Sections 2-7 describe OFTEL's activities during the year, and Section 8 contains the reports of the six statutory advisory committees on telecommunications.



No references were made by me to the MMC during 1990.

SIR BRYAN CARSBURG

24 April 1991

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A Time of Transition

DIRECTOR GENERAL'S STATEMENT

THE DUOPOLY REVIEW

1.1 In 1990, telecommunications in the United Kingdom was dominated by the review of competition policy, the 'Duopoly Review', so-called because the chief question to be decided was whether or not the restriction on fixed-link competition to two main competitors should be ended. The first part of the year saw numerous 'educational exchanges' between OFTEL and the Department of Trade and Industry (DTI) on the one hand and major firms and representative associations on the other. Many of those involved made written representations to record their preliminary views before the publication of the Government's consultative document which marked the formal beginning of the review in mid-November. The consultative period lasted until the middle of January 1991; and the Secretary of State told Parliament that he hoped to announce decisions early in the New Year.

1.2 The year covered by this Report finishes before the end of the period of consultation.

I am writing my contribution to the Report after the end of that period but before any firm decisions have been made. This gives me a difficulty well known to journalists and preparers of radio and television documentary programmes. I should not, and indeed I cannot, anticipate the conclusions of the Review and yet I need to write something that will be relevant when the conclusions are known, whatever they are. One solution would be to concentrate on some of the numerous aspects of OFTEL's duties that have continued over the year without direct effect from the Review. I want to say a little about some of these important matters later. However, OFTEL has done a great deal of research and analysis in preparing for the Review and I believe that this has increased our understanding of the desirability of competition and the potential for competition in telecommunications. Furthermore, I think that our findings have a general validity for other industries although their precise implications will vary from industry to industry. I therefore propose to take this

opportunity to make the main focus of my Statement an explanation of the conclusions I have reached as a result of the research and analysis. I believe that this will provide a helpful background to the conclusions of the Duopoly Review whatever the details of them turn out to be.

COMPETITION RECONSIDERED

As I approached the final stages of the analysis, before the publication of the DTI consultative document, I found that my own strong predisposition was to believe in the desirability of opening the market to an increase in competition. Increasing competition has been one of my main objectives since I was appointed to OFTEL in 1984 and in that context my predisposition will hardly be seen as being surprising. However, I find that everyday regulatory experience constantly reinforces my wish to have greater competition and a number of events in 1990 gave further weight to that wish. One, for example, was our work to encourage the improvement of complaints handling procedures. I am sure that the development of customer-friendly procedures would happen naturally in a more competitive market. Other examples concern the volatility of certain price changes and the readiness of British Telecommunications plc (BT) to impose price increases without bringing them to customers' notice in a satisfactory manner. I do not think that a supplier would risk the loss of customer goodwill by these kinds of behaviour in a fully competitive market, unless the underlying conditions made it inevitable and all firms in the market were forced to behave similarly.

The difficulty with establishing competition in telecommunications is that entry by new firms is difficult, even where it is allowed by law and regulation. The difficulty comes partly from the fact that a new entrant must commit itself to a very large investment in advance of any indication of

the likely success of the venture. Consequently the high risk is magnified because a long time is needed to build a telecommunications network. The need for skilled people and for managerial resources would make the process a long one independently of the investment outlay.

1.5 Then, the further difficulty arises that considerable economies of scale exist in telecommunications. In other words, the average cost of serving a customer or carrying a telephone call will be much higher for the new entrant, while its business is small, than for the dominant operator it is challenging. With prices set by the dominant operator, margins for the newcomer may be small or negative in its early years. This increases the difficulty of entry. If nothing were done to help a new entrant, quite possibly none would be interested in venturing into the marketplace, so great would be the obstacles.

1.6 This leads to the conclusion that the initial phase of introducing competition, when a new challenger is introduced against a well-established and dominant incumbent, must be one of assisted entry – one might call it *managed competition*. By using this term, I do not mean to imply that the regulatory framework tries to determine the exact market share or level of profitability of the new entrant. This will depend upon the efforts of both firms concerned. I mean, rather, that the regulatory framework tries to establish conditions which ensure that the new entrant has a viable path to success, given reasonable efficiency, an opportunity to establish a stable business earning a satisfactory level of profit.

1.7 The establishment of 'managed competition' needs to be justified on the basis of a cost-benefit test. The cost of competition comes from the very thing that makes it necessary to help competition into the market: the existence of economies of scale. At a given level of efficiency, two firms will incur higher costs in supplying the market than a monopolist. Furthermore, when there are

two firms in the marketplace, it is relatively easy for them to pass the higher costs on to customers in the form of higher prices. Accordingly, the establishment of competition is worthwhile only if offsetting benefits exist. These benefits do exist in the form of efficiency gains. All the firms in the market are likely to operate more efficiently if there is competition than if there is not. The gains are likely to be felt year after year. They come from improvements in the way basic operations are carried out, from greater interest in offering innovative services, and from more creative use of technology. Some of these benefits can be generated, for a period of time, by the threat of competition or openness to competition. However, the threat of competition cannot be sustained if a long time passes without its becoming established; and if the establishment of competition is attempted but fails, it is relatively unlikely, in a situation like that in telecommunications, that anyone else will try, and the benefits of the pressures on efficiency may then be lost for many years.

1.8 The economic analysis which we have carried out at OFTEL during 1990 makes me believe strongly that the benefits of some competition are likely to outweigh the costs as far as the duopoly is concerned. I believe that the policy of licensing Mercury Communications Ltd (MCL) has been successful, and will be effective in the future, for the benefits it brings to international and long distance domestic telecommunications and some types of local service. Our studies also indicate that the development of competition to BT at the local level is likely to be beneficial, with cable television companies or mobile service providers being promising vehicles for that competition.

TOWARDS MORE OPEN COMPETITION

1.9 However, care must be taken not to foster more competition than is likely to be beneficial. If regulatory arrangements were 'tilted', to encourage the second firm in the

marketplace to expand without limit and to encourage entry by the third, fourth, or subsequent firms, the costs of competition would continue to increase, because each new entrant would make substantial inroads into the economies of scale, but sooner or later, the benefits would tail off. Tilting the regulations in favour of additional competitors would run the risk that total industry costs would be higher, that prices to customers would be higher and that value for money would be lower.

1.10 Accordingly, I take the view that the policy of 'managed' introduction of competition should be limited to about the level of competition already provided for. I believe that additional competition may be worthwhile, almost certainly will be worthwhile in certain parts of the market and should be allowed and, indeed, viewed positively, on the grounds that competition is the normal state of economic life in the UK. This means that I favour allowing other entrants into the marketplace, but I believe that they should be required to demonstrate that their entry is beneficial by winning business success without the special assistance that has been given to previous entrants.

1.11 The policy view implied by this analysis might be described as moving from a period of 'managed competition' to a period of more open competition. Future policy should be to sustain the level of competition now achieved or provided for and to allow additional competition where new entrants wish to come forward in the belief that a good business opportunity is available to them. This openness may need qualification where heavy social costs would be involved, for example through digging up the roads, where scarce radio spectrum is needed, or in the field of international telecommunications, where the policies of other nations may limit the possibility of fair competition.

1.12 Sudden changes of regulatory direction can be disruptive and I believe that our interests will be best served by a period of transition leading to more open competition.

The areas where constraints may be put on an operator, in the interests of developing competition, are in the balance of prices, the discretion to adopt flexible pricing policies and the arrangements for interconnection among different networks. I will say a little about the role of each of these in the transitional period that I envisage.

THE BALANCE OF PRICES

1.13 As regards the balance of prices, the key question in telecommunications concerns the balance between usage related charges, that is call charges, and non-usage related charges or standing charges. Several categories of call charges have to be considered – at least local charges, long distance charges and international charges. The main standing charges are the connection charge, a kind of entry fee to membership of the network, and the exchange line rental, the annual membership subscription.

1.14 BT produces accounting measurements of the costs of providing exchange line rentals and each of the main categories of call. This is not a simple process and does not produce results that have a definitive validity. It is difficult to decide, for example, how much of the cost of a local exchange should be attributed to exchange line provision and how much should be attributed to carrying calls. It is possible to measure by how much total costs would go up if an additional customer was added but the call-carrying capacity remained unchanged – the incremental cost per customer. It is similarly possible to assess the cost of increasing the call-carrying capacity for a given number of customers – the incremental cost per call. The difficulty is that the incremental cost per customer multiplied by the number of customers plus the incremental cost per call multiplied by the number of calls will not equal the total cost of the exchange and any treatment of the balance must, in a sense, be arbitrary. However, BT's estimates of costs have been examined

by its auditors who believe that the procedures used are in accordance with normal accounting conventions and subject to relatively small margins of error, in the sense that use of other acceptable accounting conventions would not change the results very much. I am prepared to accept this conclusion that the accounting numbers are subject to relatively low error, in the sense indicated.

1.15 Much greater difficulty is experienced in deciding how to use the accounting measurements of cost. This question has been debated vigorously over the past few months and the process has been helpful in moving forward thinking about the approach to pricing. There is much to be said for encouraging membership of the telephone network for social reasons, for the belief that the opportunities for communication provided by the telephone are so important that steps should be taken to encourage membership by everybody. I will say a little more about this issue later on.

1.16 Setting aside social questions for the moment, economic factors indicate that the price of each service should at least cover the incremental cost of providing the service. Standing charges should cover the incremental costs of connecting additional customers to the network. (The actual incremental cost would differ from individual to individual, according to location, and some averaging is necessary for reasons of practicability.) And prices of calls should at least cover the incremental cost of calls, the cost of expanding capacity for making calls.

1.17 However, because of the large economies of scale in telephone networks, charging prices equal to incremental cost would not cover total costs and allow a reasonable profit to be made. The critical question then is how the amount to be added to incremental costs should be distributed over the different prices. It is easy to see that commercial objectives might cause policy about price-cost relationships to vary over time. In the early years of a telephone

network, much may be gained by encouraging increased membership of the network so that usage will increase and prices come down. The point that new members of the network are valuable to existing members, because existing members may want to telephone the new members, may have a particularly high weight. Standing charges may be kept down in order to encourage membership to increase.

1.18 A point may come later when the focus of attention shifts towards encouraging use of the network and more value may be attached to holding call prices down.

1.19 In general, therefore, it seems reasonable to conclude that the desired balance of prices should depend on the effect of different prices in encouraging or discouraging membership of the network on the one hand and use of the network on the other hand. There is no reason to suppose that prices should be set at such a level that revenues exactly match total accounting costs, category by category. Conventional accounting allocations do not take any notice of the effects of prices on demand for calls or membership of the network and consequently the logic of accounting is incomplete.

1.20 The speed at which BT is able to rebalance its prices is determined by the price control arrangements which I agreed with it in 1988. Connection charges and exchange line rentals are limited by the rule that they may not increase by more than two percentage points above the rate of inflation, while exchange line rentals are also counted in the calculation of average prices which may not increase by more than 4½ percentage points below the rate of inflation. The cap on increases in connection charges and exchange line rentals was agreed by BT in 1988 with relatively little discussion. BT approached me during the first half of 1990 with a request that the RPI+2 cap should be dropped, to clear the way for its increasing standing charges by about 25 per cent. The reason for its bringing forward this request

was that it was finding difficulty in competing with MCL, in serving large volume customers, because MCL was charging lower prices for long distance calls and BT could not match these prices – although its incremental costs were a good deal below its prices – while continuing to make a rate of profit which it regarded as satisfactory, without increasing standing charges. BT's arguments for rebalancing were based on accounting measurements of cost and did not deal with effects on use of the network and membership of the network.

1.21 I told BT that I did not think that I should agree to its request for faster rebalancing of prices. I thought that its profit margins were high enough that it could afford to reduce long distance prices, if it felt under competitive pressure to do so, by accepting lower average increases than RPI-4.5 and without increasing standing charges above the cap. The 1988 price control agreement was a carefully worked out set of arrangements designed to give BT the kind of incentives to improve performance that normally come from competition. The incentive properties of price cap regulation are best achieved if caps are set for a period of years and not changed during that time. I was concerned about increases in standing charges because this is an area where most customers do not yet have the benefit of having prices tested by competition and I was particularly concerned about the effect of the large increases proposed by BT on membership of the network by customers with lower incomes. While rejecting its application, I said that I would keep the balance of prices under review and I pointed out that the interconnection arrangements between BT and MCL could be reviewed if BT was having genuine difficulty in competing.

1.22 BT returned to a discussion of the balance of prices towards the end of 1990 as part of our discussions of numerous issues related to the Duopoly Review. This time the accounting measurements of cost numbers had a smaller part in BT's proposals and it

introduced arguments which took account of the advantages of stimulating use of the network and put forward its view that an increase in standing charges would have little effect in reducing membership of the network. I believe that, in general, its arguments now have merit as a basis for establishing policy for rebalancing over the longer term future. However, I continue to believe that increases in standing charges should be limited to RPI+2 up to 1993 when the price cap arrangements agreed in 1988 run out. My reasons for believing this are essentially the same as those given above for resisting BT's earlier request. As a further constraint, I want to ensure that the bills of representative residential customers do not increase relative to the general rate of inflation.

THE LOW USER SCHEME

1.23 However, an important note of reservation in my reaction to BT's proposals is in my concern that BT may have oversimplified matters by treating all customers as similar. If it had considered lower income customers as a separate group from its other customers, the effect of increases in standing charges on their membership of the network might have been seen to be significant. To protect this group, I shall ask BT to agree to the establishment of an improved tariff for low users of the network – the tariff to include some low-priced calls as well as a reduced rental – with the objective of allowing people with low incomes to avoid heavy costs by limiting their usage.

PRICING FLEXIBILITY

1.24 Another issue raised by BT in discussions during the year concerned the introduction of pricing flexibility, including the provision of quantity discounts. Such arrangements would help BT to meet competitive challenges. They would have some of the advantages of rebalancing, in encouraging increased use of the network: and they would avoid some of the disadvantages

of rebalancing when it involves higher standing charges, obligations which customers cannot escape by rationing their usage.

1.25 I have told BT that I am willing to agree criteria for its having greater pricing flexibility. Such flexibility is a normal feature of a competitive market. The main reason it has not developed in the UK is that, in the past, BT's billing system has had insufficient flexibility to deal with complex tariffs automatically. This has meant that pricing flexibility would have had to be applied 'manually' and could not economically be undertaken for a sufficiently large number of customers to avoid the appearance of undue preference of some customers over others.

1.26 However, while I am willing to give a positive reception to proposals for pricing flexibility, some limitations must nevertheless exist. Any tariff offered by BT must be available to all customers in a reasonably broad category. Changes in tariffs should be in the direction of making the tariffs more cost oriented, that is creating a more uniform relationship between the revenues collected from a category of customer and the costs of serving those customers. Predatory pricing is a real danger in telecommunications where the automatic checks on anti-competitive behaviour that operate in certain markets – more fully competitive markets – operate only imperfectly. Furthermore, I believe that a period of transition is desirable before full pricing flexibility should be allowed. Local competition can be expected to develop over the next few years and this will progressively support the case for more flexible pricing because it will demonstrate that prices for service cannot be raised to subsidise prices for long distance service unfairly.

INTERCONNECTION PAYMENTS

1.27 If conditions governing competition in long distance telecommunications are unfairly balanced, the position can be restored in more than one way. BT can bring

its prices into better balance with the prices of the competitor by rebalancing, to the extent that this is provided for under the regulatory arrangements, or by the introduction of quantity discounts to bring about much the same effect. However, if this does not have the desired result, a similar effect can be brought about by the imposition of access charges or by adjustments to the terms under which interconnection of competing networks takes place. BT has been aware of my willingness to consider the need for the introduction of access charges since I made the first Interconnect Determination in 1985 and a review of the interconnection arrangements can be made at any time it is needed.

THE PRICE OF INTERNATIONAL SERVICES

1.28 I want to turn now to comment on some of the regulatory issues which are independent of the Duopoly Review. I first want to mention a set of pricing issues that have been among the most important regulatory issues of the year. One of them concerns prices for international telephone calls and for providing international private circuits. It has become linked in peoples' minds with the Duopoly Review, because of the coincident timing, but the pricing issues would be under consideration at the present time even if the Duopoly Review were not taking place.

1.29 I began a review of prices for international telephone calls at the end of 1989, as a result of my study of the routine financial information provided by BT. The level of profits on international telephone calls has increased sharply since 1986–87, the last year for which results were available to me when I made the 1988 agreement on price control. Indeed, the absolute profits on international telephone calls in 1989–90 were about 70 per cent higher than in 1986–87, a much higher rate of increase than the corresponding figure for domestic business. When

I made the 1988 agreement, I assumed that competition would keep international prices in check. I was aware that MCL had a relatively strong position in terms of access to customers who make numerous international calls and I assumed that MCL's challenge would therefore be strongest in this area. Accordingly, I chose not to impose a control in 1988 but I said in my discussions with BT and in the public statement I issued at the time that I would keep the area under review and consider introducing a control if it became necessary. My investigation has confirmed my initial concern about the level of BT's margins on international calls. At the end of 1990, I was making final preparations with a view to approaching BT to establish whether or not agreement could be reached about bringing these prices under control.

CHARGING FOR DIRECTORY ENQUIRIES

1.30 The second important pricing issue that arose during the year related to BT's announcement of its intention to charge for Directory Enquiries. I had foreseen such a development in 1988 and had amended the price control arrangements to ensure that any money raised through Directory Enquiries had to be given back to customers through reductions in other prices. BT complied with this requirement through making reductions in local and long distance calls and it also made slight reductions in international call charges.

1.31 I received a large number of complaints about the decision to introduce charges for Directory Enquiries. Some objected to charging under any circumstances. Some thought that charges should be made only for enquiries about local numbers – because most customers would possess only local directories; others focused on the fact that numbers are often not available from Phone Books, whatever the location, because the Phone Books are out of date.

1.32 In deciding not to oppose the introduction of charges, I took the view that the

introduction of charges reasonably related to cost – as these were – could not be unfair. People who use Directory Enquiries generate a cost. The introduction of charges means that those who generate the cost also pay for it. Without specific charging, Directory Enquiry costs are borne by all customers regardless of whether they use the service and how much they use it. Some customers hardly ever use the Directory Enquiry service, telephoning only people whose numbers they already know. It seems to be fair to these customers that a system should be introduced which avoids their having to meet the costs that are caused by others.

NOTICE OF PRICE INCREASES

1.33 The third major pricing issue to concern me during the year related to the way in which BT communicates with customers about price increases. Under BT's licence, it can apply prices which it has published by notifying them to me and making them available in its major offices. It has no obligation to tell customers before the price increases have effect and in most cases it does not do so. The issue came to a head during 1990, when BT stopped applying cheap rates for calls made on certain holidays. Several customers made calls on these days without realising that the cheap rates had been withdrawn and they complained to me subsequently when they found out.

1.34 It appeared to me that the application of prices of which customers were unaware was hardly consistent with the concepts of fair dealing. I therefore started an investigation with a view to deciding whether or not a licence modification was needed to deal with this issue.

CONFIDENCE IN BILLING AND METERING

1.35 Several important issues arose during the year in aspects of regulation other than prices. One connected series of develop-

ments related to the whole area of billing procedures and customers' confidence in billing. I reached agreement with BT and MCL in 1988 about the establishment of a scheme under which the British Approvals Board for Telecommunications (BABT) and the British Standards Institution (BSI) would work together to provide independent quality assurance on metering and billing systems. I received BABT's first report during 1990. In one sense the report was reassuring: it told me that no evidence had been found to suggest that an unacceptable level of billing error was taking place. However, it was also disappointing to note that BABT had not been provided with the information needed to give an assessment of the level of error or to tell me that BT had satisfactory procedures in place for providing assurance about the level of error. This report led to further consideration within OFTEL of the need for regulatory action to impose firmer controls on BT and this work was still in progress at the end of the year.

1.36 Another source of concern about billing errors arose from analysis of our complaints experience. This showed a few cases in which major billing errors had been made following incorrect recording of changes in customers' meters and similar errors. The number of errors was very small in the context of BT's total number of customers but I was concerned to establish whether or not the existence of the errors indicated a weakness in BT's systems, such that other errors, smaller and therefore more difficult to detect, might also be taking place. I asked BT to commission an investigation of its system by independent accountants and I was awaiting the results of this investigation at the end of the year.

1.37 I also became aware, during 1990, of a family of billing complaints of a rather unusual kind. The complaints arose because customers had been provided with itemised bills, either as part of the general arrangements for itemised billing or through special call logging as part of an investigation of a particular billing dispute. The itemisation

had shown calls which the customers denied making. In most cases, the calls were to recorded message services and to Chatlines. I am well aware that calls to such services are often made by one member of a family without the knowledge of others, and that the person concerned is then reluctant to admit it. However, a number of these cases had features which made me feel that a thorough investigation of the circumstances was needed. This investigation was continuing at the end of the year. It was involving a very detailed investigation of the basis for the complaint, including the reasons why the customer was claiming that the calls were not made, or in some cases could not have been made, from his or her telephone. The investigation was also probing the security of BT's billing system and the security of its physical network. I intend to do all I reasonably can in investigating these complaints to establish whether or not any common cause of error in BT's systems can be demonstrated.

OTHER CONSUMER ISSUES

1.38 Three other major strands of investigation into consumer issues continued during 1990. One is a review of the conditions under which disconnection of service takes place. The review is intended to establish whether or not this extreme sanction is being used fairly and consistently with consumers' interests in general. Another investigation related to BT's policy on requiring customers to pay deposits. I am concerned to ensure that deposit-taking policy is fair as between different customers and does not amount to an effective denial of service to certain customers.

1.39 Thirdly, I have been continuing to seek assurance about BT's procedures for handling complaints from customers. I have been concerned that customers find it difficult to know how to complain, that the complaints are not handled efficiently, and that some of BT's staff find it difficult to see the customer's point of view in a complaint. I want

to see the establishment of systems in which customers are told how to contact people who will handle complaints, in which a complaining customer is given the name of a member of BT's staff who will accept responsibility for seeing the complaint to its conclusion, in which statistics of performance in handling complaints are kept and in which customers are told how to escalate their complaint for consideration by more senior management if they are not satisfied with the first response. Perhaps most important is the establishment of an independent complaints handling section. At present, complaints are often handled by the departments against which the complaints are made and this can sometimes deny the customer the benefit of having a fresh mind brought to bear on the problem. I have found it difficult to make rapid progress with these matters but I have been encouraged by signs of progress during the year and particularly by a commitment made by BT's Chairman at the end of the year to seek improvement in performance in this area.

ITEMISED BILLING

1.40 I want finally to comment on three pieces of news which have given me particular pleasure during 1990. First, BT has reached its target of offering itemised billing on 90 per cent of exchange lines in London and 50 per cent of exchange lines in the rest of the country by the end of 1990. It plans further rapid progress over the next few years. I attach great importance to itemised billing both for its general value as a service to customers and in helping to reduce the number of billing disputes and to increase customers' confidence in bills. I congratulate BT on this aspect of its performance.

QUALITY OF SERVICE

1.41 Secondly, I was pleased to see that BT's quality of service statistics for the six months

ended 30 September 1990 were the best it had ever produced. Fault repair is faster than it has ever been previously, provision of service is taking place faster and network congestion is at an all-time low. Public call boxes continue to be maintained in good working order. Admittedly, this good result is partly attributable to favourable weather conditions in an excellent summer, following a winter in which storms caused considerable difficulty, but I believe that it also marks real progress in the provision of service to customers.

TELEPHONE SERVICE FOR DEAF PEOPLE

1.42 The third item concerns telephone services for deaf people. The Royal National Institute for the Deaf (RNID) has been providing a small service for deaf people under which operators with text terminals communicate with deaf people who also have text terminals and relay the messages to hearing people. This service means that all deaf people can be 'on the phone' and it can transform their ability to communicate and minimise the limitations imposed by their deafness. I should like to see this

facility extended to all deaf people and I was encouraged in this objective by my Advisory Committee for Disabled and Elderly People (DIEL) who took the view that access to the telephone network was a basic right for everyone. I discussed with BT ways in which access to this service could be extended and I was delighted when it agreed during 1990 to give £4 million to fund an expansion of the service by RNID over the next three years. I shall be monitoring the success of this development and hoping to see it become a permanent feature of arrangements for the telephone service.

CONCLUSION

1.43 In conclusion, I should like to thank my staff for their hard work and excellent support during the year. Our challenges seem to grow year by year. We receive more complaints and the volume and complexity of other regulatory business grows ever greater. We also had to cope with the special difficulty of moving our offices during the year. I hope that the pleasant environment provided by our new offices will encourage the staff to maintain their high level of motivation.



2

PTO Licences and Competition

PUBLIC TELECOMMUNICATIONS OPERATORS (PTOs)

2.1 At the beginning of 1990 there were 30 PTOs – three licensed to provide fixed telecommunications services other than cable television (BT, MCL and Kingston Communications in Hull), two cellular radio operators (Cellnet and Racal-Vodafone) and 25 broadband cable operators. During the year a further 54 broadband cable operators were licensed (see Appendix 5).

2.2 The thrust of OFTEL's policy continued to be to encourage the development of effective competition and to take regulatory action, as necessary, to protect customers in areas where competition is not yet effective. Such action may include the making of formal orders to enforce existing licence conditions; the modification of licences to introduce new rules; or discussions with PTOs which result in their practices being changed voluntarily – the last being the most

common. The Director General made four final orders under section 16 of the Telecommunications Act 1984 during 1990, following the failure by certain broadband cable operators to meet the timetables for building their networks which are specified in Condition 1.2 of their licences (see paragraph 2.23).

2.3 No PTO licence modifications under section 12 or section 15 of the Act were made during the year. However, the Director General announced that he had it in mind to initiate modifications to BT's licence to introduce specific price caps on both international calls and international private leased circuits to govern prices up to the expiry of the existing controls on inland services in Condition 24A of BT's licence (see paragraphs 1.28 and 1.29). This would pave the way for a simultaneous review of all the controls on prices for the period from mid-1993 onwards. The Director General may modify the conditions of licences in one of two ways. The first is with the licensee's consent. The second is following a reference

to the Monopolies and Mergers Commission which results in a conclusion that the present situation operates, or may be expected to operate, against the public interest and may be remedied by modifying the licence conditions.

2.4 BT continued to make good progress in modernising its network and is on course to complete the programme in 1995. Most competing PTOs continued to develop well, and their activities are described in more detail below. A particularly welcome development was the increasing interest shown by broadband cable operators in providing voice telephony services in competition with BT and MCL (see paragraph 2.26).

2.5 The Secretary of State's announcement in November that the Government proposed to end the present 'duopoly policy' – the policy of licensing only BT and MCL to provide the basic telecommunications service of conveying messages over fixed links, both inland and overseas – paves the way for a significant increase in the scope and vigour of competition in the provision of telecommunications services. The announcement launched the publication, following advice from the Director General, of the consultative document *Competition and Choice: Telecommunications Policy for the 1990s* which invited comments on the proposals by 14 January 1991.

MERCURY COMMUNICATIONS LTD (MCL)

2.6 MCL has continued to expand both its network and the range of its services. In 1990 it announced programmes for investment in new exchanges and in a satellite communications centre for Scotland. By the end of the year MCL's network had reached 85 towns and cities, and the residential customer base had increased by 30,000. New services which MCL announced during the year included the 5000 CDN service, a fully managed data communications service, and the Global Virtual Private Network service

(GVPN) – a voice and data service using optical fibre links which would operate initially between the UK, Hong Kong and the USA.

2.7 During the course of the year MCL made arrangements with several other telecommunications operators, either for the introduction of new services or for the further expansion of its existing services. These arrangements included an agreement with BT for the interconnection of the public data networks of the two companies which enabled MCL customers to access a further 167 networks in 80 countries; an agreement with US West Communications Ltd for the provision of telephony services by those cable operators for which US West has management responsibility; and a joint venture with Racal Telecom to launch a new service, Paknet, which uses a wide area radio data network to transmit data messages between small radio units and host computers. By the end of 1990 Paknet was being used for EFTPOS (Electronic Funds Transfer at Point of Sale) and credit card authorisation, traffic monitoring, security alarm communications and data acquisition.

2.8 In January MCL introduced a charge of 50p for calls to its Directory Enquiry service. The charge does not apply to calls made from payphones or by persons who are so blind or otherwise disabled as to be unable to use a telephone directory. Following advice from the Advisory Committee on Telecommunications for Disabled and Elderly People (DIEL – see Section 8) the Director General accepted that MCL had made satisfactory arrangements, as required by its licence, to provide the service free of charge to blind and disabled people.

2.9 OFTEL was less involved in questions concerning the interconnection of MCL's and BT's networks than in previous years but, for the first time, the Director General was asked to determine the terms of interconnection between MCL and other PTOs.

2.10 After discussions with OFTEL in 1989, BT provided extended ingress to the MCL

trunk network (as required by the interconnection agreement between the two companies) which gives around 75 per cent of the population the opportunity of gaining indirect access to MCL's trunk network. To avoid further delay the parties had agreed to go ahead on the basis that the Director General would decide the charges, in accordance with Condition 13.5(a) of BT's licence, after the changes had been made and this was done during 1990. During the year MCL asked the Director General to review its existing telex interconnection agreement with BT, which was based on the Director General's determination of 31 July 1987. MCL also requested the Director General to determine terms and conditions for the interconnection of its network with that of Cellnet, in accordance with Condition 6.6 of Cellnet's licence. MCL already had an interconnection agreement with Racal-Vodafone for calls to and from 0836 numbers, but the agreement did not cover the new 0831 numbers. MCL requested the Director General to determine terms and conditions for interconnection in the latter case, in accordance with Condition 6.6 of Racal-Vodafone's licence. These issues were still under consideration in OFTEL at the end of the year.

KINGSTON COMMUNICATIONS (HULL) PLC

2.11 In November Kingston Communications completed the conversion of its network from an analogue to a digital system. At the same time it converted its last party line to exclusive use. Previously the company had a high percentage of party lines, and the programme of conversion – begun six years earlier – was completed a year ahead of schedule. The company also introduced a call barring service, operated at the exchange, which enables customers to prevent their telephones being used to access services charged at premium rates, thus eliminating the risk of unexpectedly high bills arising from unauthorised use.

2.12 During 1990 Kingston Communications announced a joint venture agreement with Wellcomm Business Communications Ltd, under which two new companies would be formed. The first will be known as Kingston-Wellcomm Maintenance Ltd and will offer an apparatus maintenance service in the Home Counties and Southern England. The second is a new sales and distribution company which will be known as Wellcomm-Kingston Sales Ltd.

2.13 In October Kingston Communications, together with nine other European, locally based telecommunication companies, formed an association known as the General Managers Group Association to facilitate the exchange of information, expertise and personnel with the aim of enhancing performance and seeking new commercial opportunities. The other members are Manx Telecom, Jersey Telecoms, Guernsey Telecoms, Helsinki Telephone Co, Tampere Telephone Co, Telefonverk Faroe, KTAS Copenhagen, Jutland Telephone Co and Funen Telephone Co.

CELLULAR RADIO

2.14 The cellular mobile radio networks operated by Racal-Vodafone and Telecom Securicor Cellular Radio (Cellnet) continued to grow in 1990. By the end of the year there were approximately 1,140,000 subscribers registered on the networks, an increase of 270,000 over the previous year.

2.15 At the beginning of the year the Director General gave his consent, under Condition 9 of Racal-Vodafone's licence, to the company providing certain telecommunication services other than at the charges, terms and conditions published in accordance with its licence. The services are those used to provide a 'lifeline' service to disabled drivers by means of a car phone giving a cheap but restricted service. The unit can receive incoming calls in the normal way, but outgoing calls are restricted to either the emergency services via '999' or a special helpline set up by Racal-Vodafone.

2.16 In July the Director General announced that he had deferred the date by which the two cellular operators must provide inter-system roaming (ISR). ISR is the facility which allows customers of one cellular network access to the other network when the one to which they subscribe is congested or does not cover the area where the call is being made or received. Under their operating licences, both UK cellular operators were required to be capable of providing ISR within five years (by 28 June 1990) unless the Director General specified a longer period. The period was extended, initially, to 29 December 1990 but the extension continues in effect after that date subject to withdrawal at any time on six month's notice.

2.17 On 26 June, following advice given to the Secretary of State by the Director General, the Government announced that it intended to give mobile network operators the freedom to market their services directly to users. Under existing arrangements the two cellular network operators are permitted to deal with customers only through service providers (also known as airtime retailers) who sign up customers and bill them for use of the network. Under the proposed arrangements the network operators would still be required to sell in this way if requested by a service provider, but would also be able to provide services direct to the public. The proposals contain important safeguards to ensure that established service providers will be treated fairly and given access to mobile services on non-discriminatory terms to enable them to compete in the market on an equal footing with a network operator's own direct selling division. It is intended that the new arrangements would apply to the cellular radio network operators from 1 January 1993. They would also apply to the PCN networks when they begin service and to the Band III trunked PMR networks, which have marketed their services in a similar way to the cellular operators, from early in 1991.

2.18 In November Cellnet terminated its retailer agreement with the service provider

Excell Communications Ltd, following the placing of Excell into receivership. This led to a number of complaints to OFTEL that Cellnet had contravened Condition 10 of its licence by showing undue preference to its associated service provider, British Telecom Mobile Communications (BTMC), in its attempts to arrange a speedy transfer for Excell's customers to an alternative service provider. It was alleged that Cellnet had recommended BTMC's services to these customers in preference to those of other service providers, and had made prior arrangements which enabled them to be reconnected to Cellnet's network faster through BTMC than through others. These allegations were still under investigation at the end of the year.

PERSONAL COMMUNICATIONS NETWORKS (PCNs)

2.19 The three consortia offered licences at the end of 1989 for the operation of personal communications networks (PCNs) – Mercury Personal Communication Network Ltd, Microtel Ltd and Unitel Ltd – continued to prepare the ground for their intended launch in 1992.

2.20 During the year, OFTEL advised the DTI on the conditions to be included in the licences for the PCN operators (see also paragraph 2.17 on direct marketing of PCN services).

PTO CABLE SYSTEMS

2.21 A striking feature of the year was the continuing, and rapidly accelerating, increase in activity in the area of broadband cable networks. During the first half of the year, OFTEL evaluated the many applications received for the greatly increased number of franchises advertised by the Cable Authority before its functions were transferred to the new Independent Television Commission at the end of the year

under the provisions of the Broadcasting Act 1990. The Cable Authority completed its part in July, having awarded 77 franchises during 1990. This brought the number of franchises awarded by the Home Office or Cable Authority between 1983 and 1990 to a total of 135.

2.22 OFTEL continued to advise the DTI and the Cable Authority on the licensing of successful applicants under the Telecommunications Act 1984. A number of these licences combine two franchise areas. The total number of broadband cable operators licensed under section 7 of the Act and specified as Public Telecommunications Operators increased from 25 to 79 (see Appendix 5) which compares with an increase of 13 in 1989. The DTI expects to issue licences covering the remaining franchises during the first half of 1991 provided they are satisfied that the necessary finances have been secured and that the franchisee is in a position to fulfil the conditions of the proposed licence.

2.23 The licence of each cable operator includes a timetable which must be achieved in building its network. The relevant condition in the licence makes provision for the Director General to modify the interim 'milestones' if he is satisfied that this will enable the licensee to comply more easily with the obligation to complete the network by the prescribed date. On 13 July, following the failure by four licensees to meet their timetables for building their networks, the Director General gave notice, in accordance with section 17 of the Telecommunications Act 1984, that he proposed to make final orders under section 16 of the Act for the purpose of securing compliance with the relevant conditions in the licences covering the Coventry, North-West Glasgow and Clydebank, Westminster and Guildford franchises. On 1 October, after considering objections and representations made in response to the notices, the Director General made final orders under section 16 of the Act to enforce Condition 1.2 of the licences of Coventry Cable Ltd, Clyde Cablevision Ltd,

Westminster Cable Company Ltd and British Cable Services Ltd. The first three of these orders established new timetables by which construction of the cable systems must be completed. In the fourth case, British Cable Services Ltd, the Director General modified the interim milestones but left the completion date unchanged. At the same time as notices were given in respect of these four franchises, the Director General published a notice, in accordance with section 16(5)(a) of the Act, that he was satisfied that his duties under section 3 precluded, at that time, the making of a similar order in respect of the licence for the Cheltenham and Gloucester franchise.

2.24 On 14 December the Director General published notices under section 17 of the Act stating that he proposed to make final orders to enforce Condition 1.2 of the licences issued to Broadband Ventures Ltd (BVL) as a joint licensee in both the Coventry and Westminster franchise areas. The proposed orders would enforce the same timetables as those set out in the final orders made against BVL's co-licensees, Coventry Cable Ltd and Westminster Cable Company Ltd. The reason for the delay in publishing these notices is that the obligations in Condition 1.2 of the licences do not apply to BVL until 42 days after the Director General has served enforcement orders on the co-licensees (see paragraph 2.23).

2.25 The Director General agreed to modify the interim milestones for nine licensees, as he was satisfied that the relevant modification would enable each licensee to comply more easily with the obligation to complete the network by the prescribed date. These modifications relate to the licences for the franchises covering South Bedfordshire, Cheltenham and Gloucester, Greater London East, Avon, Merton and Sutton, Kingston and Richmond, Ipswich and Colchester, South Devon, and Leicester and Loughborough.

2.26 The involvement of cable operators in the provision of voice telephony services

also increased significantly during 1990. The Director General made a further 14 determinations permitting cable operators to provide voice telephony services within parts of their franchise areas in competition with BT and MCL. At the beginning of 1990, three companies were engaged in these operations: Windsor Television Ltd, Cable Camden Ltd, and East London Telecommunications Ltd (ELT). By the end of the year, the number had doubled with the entry into the market of United Artists Communications (London South) plc, United Artists Communications (Avon) Ltd, and Birmingham Cable Ltd. In the process, the number of licensed cable areas in which cable operators have been permitted to provide voice telephony services has increased from three to eight. ELT's determination covers the whole of the London Docklands Development Zone whilst Birmingham Cable Ltd's covers more than 58,000 premises in an area south of the Birmingham city centre. Determinations in favour of the United Artists Group cover the central business area of Croydon and mainly residential areas in Sutton, Merton, and Kingston-on-Thames, as well as a similar development in the Patchway and Stoke Gifford suburbs of Bristol in the Avon franchise. Further determinations made in favour of Cable Camden Ltd greatly extended its ability to provide voice telephony services in Camden.

2.27 In total, over a quarter of a million premises are now covered by voice telephony determinations made by the Director General since 1987 – over 225,000 residential and about 34,000 business premises. These determinations are made under Condition 15 of the cable operators' licences and define the areas within which voice telephony services must be provided to every person who requests their provision. At present cable operators can provide telephony services only under an agreement with BT or MCL, and all those currently providing voice telephony are doing so in conjunction with MCL. However, proposals in the Duopoly Review consultative document may lead to increased freedoms for cable operators.

REPRESENTATIONS

2.28 During 1990 OFTEL received 3,236 representations concerning PTO licensing and related issues, of which approximately half related to BT. These deal mainly with possible breaches of PTO licences, or raise issues that may result in licence amendments, and are distinct from representations from consumers about the service they have received from BT (see paragraphs 4.2 to 4.7). The 1990 total of 3,236 compares with 2,487 for 1989 and represents an increase of 30 per cent.

2.29 An analysis of the representations is shown in Appendix 1. The number of representations about BT which related to tariffs and charges was 609, compared with 505 in 1989. This increase was largely due to price increases for telephone services in September 1990 and the fact that BT's new terms for private circuits began to take effect as customers' annual contracts came up for renewal. In addition, there was a considerable number of representations following BT's announcement, in October, that it would be introducing separate charges for calls to Directory Enquiries with effect from 2 April 1991.

2.30 There was a fall in the number of representations about installation, maintenance and ownership of wiring and equipment, while the number of cases alleging unfair competition remained steady at a fairly low level, as did complaints relating to payphones.

2.31 There were 339 representations about Chatlines and recorded message services, a slight decrease from the 1989 figure of approximately 400, but still demonstrating the continuing high level of public concern about these services. Further controls on the provision of Chatlines and so-called 'One-to-One' services were introduced during the year (see paragraphs 2.76 to 2.83).

2.32 Representations about MCL services increased very slightly from 85 in 1989 to 93

in 1990, whilst those about Kingston Communications remained steady at seven.

2.33 Representations about mobile services increased significantly, with 1,340 received during 1990 compared with 541 in 1989 – a rise of almost 150 per cent. The majority of these concerned cellular radio services and included complaints about quality of service (see also paragraph 4.18), billing issues and contractual disputes.

2.34 There appeared to be several reasons for the increase in complaints. The first was the continued growth in the number of UK cellular customers (see paragraph 2.14). Secondly, as a result of more extensive media coverage of mobile communications issues, mobile customers were increasingly aware of OFTEL's role. In addition, the growth in the market for second-hand equipment, as customers' original airtime contracts expire and they seek to upgrade their equipment, has led to a considerable number of representations and enquiries about the sale of second-hand apparatus.

2.35 There were seven representations about the activities of broadband cable operators. They concerned disruption caused by cable laying; obtrusiveness of street cabinets and cable on the face of blocks of flats; delays in network construction; increases in charges; and failure to provide cable television or voice telephony services.

2.36 Five representations were received about satellite operations, including three relating to the operation of BT's Signatory Affairs Office (SAO), which is responsible for handling requests for leased space segment capacity provided by INTELSAT and EUTELSAT. The main area of concern was the amount of space segment which BT had reserved for its own purposes. As a result of the complaints, BT proposes to introduce an internal UK challenge procedure for space segment reservations (see paragraph 3.30). The other complaints were about radio interference from other satellite users, and

about the regulatory restrictions on the operation of satellite downlinks.

REVIEW OF '999' EMERGENCY CALL ARRANGEMENTS

2.37 As mentioned in last year's Report, the Director General initiated a review of the '999' emergency telephone service in 1989, with the aim of ensuring that this vital service operates in a way which is best designed to meet the needs of the public and the emergency organisations. The review was being carried out by a working group comprising representatives of the PTOs, the emergency organisations, OFTEL and other Government departments. The group is considering whether, in the light of technical and economic developments since the emergency call service started, the methods currently employed constitute the most appropriate, efficient and cost-effective way of providing the service. It was recognised that any changes must not reduce the current high quality of service to the public.

2.38 The working group submitted an interim report to the Director General in June 1990. This identified two main alternatives to the current arrangements. The first option involved closer co-ordination of PTO systems and would retain the PTO operator as the first link in the handling of emergency calls. The other option was to route calls directly to an emergency co-ordination point served by the emergency organisations or to a separate organisation set up for the purpose.

2.39 The working group appointed a smaller committee to conduct a detailed examination of these options, and this has concluded that the future needs of all parties could best be met if all '999' calls were initially answered at specialist call receiving agencies, from where they would be routed to the required emergency service. The centres would be provided by a new organisation established for the purpose – for example, a co-operative of PTOs. This solution would offer the following benefits:

- The emergency services would receive all '999' calls from one source, instead of a variety of sources as at present, thus enabling the handling of emergency incidents reported from different networks to be better co-ordinated.
- Experienced staff would provide the first point of contact for callers, ensuring a professional and sympathetic response in times of stress. (At present the handling of '999' calls is just one of many tasks undertaken by PTO operators.)
- It would provide the opportunity, if this was felt desirable at a later stage, to expand the responsibilities of the new organisation, at some or all of its centres, into other activities related to the co-ordination of response to emergencies.

In December the working group accepted a proposal that the committee should undertake a feasibility study of this option. The group intended to present a final report to the Director General by the end of September 1991.

2.40 The review will also consider whether new telecommunications licensees should be obliged to provide '999' facilities. Discussions on this point were due to take place in 1991 between OFTEL, the Home Office and the DTI.

2.41 The review was not concerned with the number used by callers to access the emergency services and there is no intention of phasing out the use of '999'. The common European emergency number ('112') will be introduced in parallel with '999', and will not replace it.

NUMBERING

2.42 BT's proposal to change London's code from 01 to 071/081, which was approved by the Director General in 1989, was put into effect successfully on 6 May 1990.

2.43 The consultancy study which Ovum Ltd carried out for OFTEL into the United Kingdom's future numbering requirements

was completed. Responses to the consultative document *Numbering for Telephony Services into the 21st Century* were evaluated and the study confirmed that the present UK numbering scheme was reaching the end of its useful life and was beginning to constrain the development of competition and innovative services. A report on the study will be published early in 1991. The Telecommunications Numbering and Addressing Board Ltd (TNAB) also submitted to the Director General the results of an investigation into future UK requirements for numbering capacity. TNAB is the body approved by the Director General through which PTOs must consult about proposed changes to their numbering plans.

2.44 Against this background BT submitted to the Director General in October proposals for a modification to its numbering plan. The main feature of these proposals was a change to a ten-digit numbering plan for its fixed network. This would involve the insertion of the extra digit '1' in each STD code after the '0'. The change would relieve pressure on existing numbering capacity and would allow a range of numbers to become available for new services and facilities through the use of additional leading digits other than '1'.

2.45 At the end of the year the Director General was considering these proposals, and proposals subsequently submitted by MCL for a similar modification to its numbering plan. The Director General has consulted TNAB on the proposals and will take account of a wide range of interests before reaching a decision on their acceptability. He will consider both plans in the light of their impact on customers, their likely effect on fair competition, and the country's long-term numbering requirements. The Director General has the power, under Conditions in the operating licences of BT and MCL, to accept the proposals or to determine such additions or changes as he considers necessary.

2.46 OFTEL asked the CCITT (through the DTI) to add to the register of Data Network

Identification Codes (DNICs) four new codes allocated to data network operators in the UK, bringing the total in the UK to ten. These operators were Kingston Communications (Hull) plc, Nomura Computer Systems – Europe, Fedex (UK) and AT&T Istel. In addition OFTEL has, at their request, reserved DNICs for a further three organisations which foresaw a possible need to make a formal application for a DNIC in the future.

INTERNATIONAL ACCOUNTING ARRANGEMENTS

2.47 In October both BT and MCL notified OFTEL that they had been unable to reach agreement between themselves on revised rates and methods of payment for settlement with United States telephone companies for calls between the two countries. Each company wished the arrangements which it had negotiated to be adopted. They therefore asked the Director General to determine the matter in accordance with the provisions of the Code of Practice on international accounting arrangements, whose terms he had determined under the licences of the two companies in 1987. MCL also asked to be permitted to depart from the requirement to observe parallel accounting if the rates eventually determined differed from those which MCL had negotiated.

2.48 The Code of Practice does not control competition within the UK. BT and MCL are free to compete by way of prices charged for international calls. It does, however, oblige BT and MCL to observe parallel accounting – that is to agree exactly the same financial terms with overseas operators – unless there are exceptional circumstances. This is to prevent any overseas operator with a monopoly in its own country from exploiting that monopoly to gain an unfair advantage from competition between BT and MCL to the detriment of UK consumers. An exception from parallel accounting can be made *inter alia* where the Director General is satisfied

that effective competition exists in the relevant overseas country.

2.49 The proposals made by BT and MCL both involved substantial reductions in accounting rates over the next three years. OFTEL welcomed such a development, which would bring the rates closer to economic levels and could be expected to support movements to lower prices for international calls. However, there were a number of issues on which the Director General needed to satisfy himself before making a determination of the precise accounting arrangements which should apply. The Code requires the determination to be made within three months, and a decision was imminent at the end of the year.

PRICES

Controlled Prices – Telephone Service

2.50 In July, BT announced a set of price changes for its telephone services, including services covered by the main price control rule in Condition 24A of its licence. This rule limits the average annual increase in the prices of a basket of services – domestic and business exchange line rentals, directly dialled inland calls and the main operator services – to 4.5 percentage points below the change in the Retail Prices Index (RPI) as measured at the end of June each year. Separate charges for calls to the Directory Enquiry service (see paragraph 2.54) would also be included in the basket. Individual prices within the basket are not controlled by this rule, but a separate undertaking by BT limits the increases both in exchange line rentals and in connection and takeover charges to RPI+2.

2.51 The increase in the RPI for the year ended 30 June 1990 was 9.8 per cent and the ceiling on BT's price increases was therefore 5.3 per cent. The set of price changes introduced in September amounted to an average increase of 5.3 per cent and so BT

has complied with its licence obligations. Residential exchange line rentals were increased by 11.6 per cent to £17.13 and new residential connections by 11.8 per cent to £129.26, with similar increases for business customers. These increases were within the RPI+2 limits.

2.52 OFTEL also monitors the effect of BT's price changes on a typical residential customer (the 'median residential bill') by assessing a representative pattern of usage and measuring the increase in the bill for this usage. The Director General has said he would be concerned if the increase in this bill were to be higher than the rate of inflation and he would then examine particularly carefully the set of price changes which caused such a large increase. OFTEL's calculations showed that BT's September price changes increased the median residential bill by 9.0 per cent, 0.8 percentage points below the June rate of inflation.

2.53 Although the price control rule in BT's licence means that, on average, price increases are well below the rate of inflation, OFTEL has long recognised that – although justified by the pattern of costs – the higher than average increases in exchange line rentals affect low users of the telephone service particularly harshly, and that low users are often elderly people and others with low incomes. At the end of the year, OFTEL was discussing with BT its plans for a better focused scheme for low users, which would avoid giving the benefit to customers who do not need it – for example those whose usage is low because it relates to a second line, or a line to a second home (see paragraph 1.23).

Controlled Prices – Directory Enquiry Charges

2.54 In October BT announced its intention to introduce, in April 1991, a charge of 38p (excluding VAT) for calls to its Directory Enquiry (DQ) service. Condition 3 of its licence obliges BT to provide a directory enquiry service but does not require that

calls to the service should be free, except for blind people and others whose disability is such that it prevents them from using telephone directories. However, charges for DQ calls would be included in the basket of prices controlled by the main price control rule in Condition 24A of BT's licence (see paragraph 2.50) which means that BT must make offsetting reductions in other prices to keep within the overall limit of RPI – 4.5. For this reason BT also announced that, when DQ charges are introduced, the unit charge which applies to all telephone calls would be reduced from 4.4p to 4.2p (excluding VAT) and there would be an increase in the time allowance for long distance calls to produce an average decrease of 7.3 per cent in long distance prices. OFTEL reviewed BT's costs for the provision of the DQ service and checked BT's proposals carefully, and was satisfied both that the package as a whole complied with the price control rule in the licence and that the proposed charge for DQ calls was not unreasonable in relation to costs.

2.55 The effect on customers of BT's introduction of a separate charge of 38p plus VAT for DQ calls, with associated reductions in call charges, will vary according to their use of the service and the pattern of their general use of the telephone network. Residential customers who rarely use the service will be better off: the effect is to reduce the typical bill of a residential customer who makes no DQ calls by just over £1 per quarter. On the other hand certain kinds of businesses, particularly marketing organisations that use the DQ service very heavily, may be considerably worse off. However, the demands on the service, and therefore the cost of its provision, have increased steeply in recent years, and the Director General accepts that it is fair that the service should be paid for directly by those who use it rather than the cost being borne by all customers regardless of whether they use the service or not.

2.56 Following advice from DIEL (see Section 8) the Director General accepted that BT had made satisfactory arrangements to pro-

vide DQ services free of charge to blind people and other people who are so disabled that they cannot use a Phone Book, as required by Condition 3.5 of BT's licence. BT has decided also to provide DQ services from public call boxes free of charge. It will offer a similar option to owners and renters of private payphones by introducing a new class of exchange line, a *Payphone Line*, which will attract the same rental as an ordinary business line but will be configured in such a way as to allow free access to the DQ service if the operator of the payphone wishes.

Controlled Prices – Private Circuits

2.57 BT's first round of price increases under the private circuit price cap, incorporated into Condition 24A of the licence in 1989, was implemented in December of that year. The new rule limits the overall increase in all BT's main inland private circuit prices to the increase in the Retail Prices Index (RPI). In March 1990 BT notified the Director General of certain additional price changes, the aim of which was to complete the merger of Accessline and Speechline (analogue) circuits by aligning connection charges. Some charges were increased while others were reduced and the overall effect was designed to take BT up to the limit of the price cap.

2.58 In October 1990 BT notified the Director General of proposed price increases for analogue private circuits which have the effect of increasing prices for these circuits by 11 per cent overall. This increase was not considered to be unreasonable given that the overall RPI constraint for all private circuits was 9.79 per cent. The Director General accepted, after OFTEL's review of BT's private circuit business in 1989, that some further rebalancing of prices for services covered by the price cap was justified by the pattern of costs. However, as the last increase in the prices for analogue circuits was greater than the average permitted by the price cap, the constraint on the prices of digital circuits was correspondingly tighter.

BT has said that its intention was to announce increases for digital private circuits to take effect from April 1991, and OFTEL will be examining these very carefully to ensure that BT does not infringe the price control rule in its licence.

Other Prices – Quantity Discounts

2.59 Throughout the year OFTEL continued to receive representations about BT's failure to offer volume discounts, to reflect economies of scale, when an engineer carried out several identical jobs in one visit. The most common cause of complaint was the application of a standard charge for re-siting each exchange line even when an engineer moved many lines during one visit. Condition 16 of its licence obliges BT to publish the charges, terms and conditions for its main services and to adhere to them. It does not, however, prevent BT publishing a tariff which includes discounted prices for bulk orders, to reflect any economies of scale, provided that BT does not infringe Condition 17 of its licence which prohibits the company from showing undue preference to, or undue discrimination against, any customer or class of customers. OFTEL took the matter up with BT, and the company agreed to review its charging structure and submit revised proposals to OFTEL early in the new year, with the aim of implementing changes to its published tariff by the Spring of 1991.

COMPETITION ISSUES

Survey of Competition in Network Services

2.60 In February 1990 the Director General appointed Interconnect Communications (Consultants) Ltd to carry out a market research study into the effectiveness of competition in PTO switched voice telephony services. The aim was to assess the state of this sector of the market after nearly four years of competition from MCL and, in particular, to identify any practices which might be expected to inhibit competition.

The survey involved 100 face to face and 300 telephone interviews with business and residential users. PTOs, cable companies, Designated Maintainers and associations representative of the industry were also interviewed.

2.61 The findings of the study were generally encouraging in that there was no evidence of widespread or systematic practices which would significantly inhibit competition in switched voice telephony services. However, the study indicated that there was room for improvement in BT's performance as a Designated Maintainer, and OFTEL will be pursuing this with the company to ensure that there is no question of MCL customers, or prospective customers, being put at a disadvantage when BT is the maintainer of their switches.

2.62 As recorded earlier in this report, MCL has continued to expand the range and availability of its services, and its network distribution exceeds that specified in its licence. The study indicated that customers perceive MCL as competing mainly on price, rather than quality of service, although customers were generally satisfied with MCL's service. The study also suggested that marketing is concentrated in certain key areas and that there is positive resistance to change by small companies.

2.63 Competition therefore remains limited and MCL cannot afford to relax its efforts to increase its penetration of a market still dominated by BT. OFTEL will keep the position under review and take action, where necessary, to promote fair and vigorous competition. A summary of the study's findings will be published during 1991.

BT as a Designated Maintainer

2.64 During the first part of the year OFTEL received further representations from MCL about BT's performance as a Designated Maintainer of customers' private branch exchanges (PBXs). On a number of occasions BT had failed to carry out the work required

to connect MCL lines in a prompt and efficient manner. After discussing these shortcomings with BT, OFTEL recommended to MCL that a trial should be given to BT's proposal that it should set up a central contact in each BT District for processing orders from customers who wanted BT, in its role as the Designated Maintainer of their switches, to carry out the work necessary to connect MCL lines. This arrangement has now been adopted and has led to a considerable reduction in the number of complaints about BT's performance. MCL is continuing to assess the efficacy of these arrangements.

BT's Fixed Price Contracts for Private Leased Circuits

2.65 At the end of 1989, MCL complained to OFTEL that BT's practice of offering three-year fixed price contracts for private leased circuits only where the bill exceeded £100,000 per annum could have the effect of restricting or distorting competition. OFTEL's initial assessment was that MCL's view was soundly based and, furthermore, that such a threshold was likely to be unfair to smaller customers. OFTEL therefore took the matter up with BT, asking for the economic justification for the £100,000 threshold. After some consideration BT decided to drop the restriction altogether from 1 October 1990.

Effect on Private Payphones of STD Code Changes

2.66 A number of complaints were received from manufacturers and distributors of private payphones that, where such payphones were programmed to replicate BT's charges, any changes to National Number Groups (NNGs) could result in a payphone charging at an incorrect rate. OFTEL has always taken the view that private payphone operators should be free to set their own rates, either competing with BT on price or replicating BT's charges, but in the latter case they should be able to do so accurately. OFTEL discussed the issue with

BT, suggesting that BT should make available all relevant charging information, updated as necessary, to interested parties. As a result BT advised OFTEL in November that it proposed to launch a Network Charging Information Package comprising network charging data current at the time of release plus monthly updates. An annual subscription would be payable for this service, which would be available on floppy disc, magnetic tape or paper record.

2.67 Recognising that BT's London number code change could lead to similar incorrect charging at unmodified private payphones in London, OFTEL suggested to BT that it should highlight this fact in publicising the change. OFTEL also issued a press release on this subject.

BT's 'International Featurenet' Service

2.68 In August BT notified OFTEL that it was launching a trial of a new service, International Featurenet. This service, which was launched commercially in November, offers customers access to overseas virtual private networks (VPNs) plus an enhanced-access International Direct Dialling (IDD) service. Calls made to overseas VPNs are described as being *on-net* whilst those to other international destinations are *off-net*. Call charges for both on-net and off-net usage are significantly lower than normal IDD charges. At the end of the year OFTEL was investigating an allegation by MCL that the charges were predatory and that they infringed Condition 17 of BT's

licence which prohibits the company from showing undue preference, or undue discrimination, towards particular customers or classes of customer.

SERVICE OBLIGATIONS

BT's Contract Terms for Telephone Service

2.69 In a statement published in March 1989, the Director General said that he intended to keep under review BT's new arrangements for compensating customers for delays in provision or repair of telephone service and that he would be looking to see whether they did, in fact, produce the desired improvements in BT's quality of service. During 1990 OFTEL initiated the first review, seeking both direct measures of performance in relation to the targets in the contract (and internal BT targets) and indirect measures such as particulars of trends in the numbers of claims and payments; total and average payments; and the number for which payment was for financial loss as opposed to the daily penalty. The review was still in progress at the end of the year. The table below gives a summary of claims and payments under the compensation scheme for the six months from April to September 1990.

BT's Contract Terms for Private Service

2.70 In April BT introduced its new contract terms for private service which included the

Claims under BT Compensation Scheme

	Service installation	Service repair	Total
New claims	9,843	28,885	38,728
Percentage of claims where payment was made	68%	53%	56.4%
Total payments	£872,964	£289,539	£1,162,503
Average payment per claim	£130.49	£19.11	£53.22

guarantees in respect of quality of service which formed part of the package of measures agreed between BT and the Director General in 1989. OFTEL took up with BT a complaint that had been made by many private circuit customers about the lack of adequate notice given of price increases, and the failure of BT to give reasonably accurate information about pricing trends. BT accepted that customers needed reliable information, and agreed to adopt the Director General's proposal that it should give individual notice of price changes to all private circuit customers at, or close to, the time that it formally notified OFTEL of the changes. BT also agreed to provide customers with an indication of the way in which it foresaw prices moving during any one year to assist customers in budgeting.

Linkline Service

2.71 As a result of a number of representations made to OFTEL about the replacement of BT's analogue Linkline services with the new Advanced Linkline services, BT undertook, at the end of 1989, to consider alternative ways of providing a service to customers who required certain Linkline facilities (particularly 'Divertlink') but who did not require the sophistication of the more expensive Advanced Linkline service. In 1990 BT advised OFTEL that it had identified a method of replicating the facilities of Divertlink using a combination of the features of Star Services, call forwarding and the capabilities of the digital network. BT said that it would be able to make the changeover for existing Divertlink customers progressively and to offer the facility to new customers from early November 1990.

Optical Fibre Service

2.72 During the year OFTEL pursued with BT a number of complaints from companies who had requested the service of conveying optical signals but had encountered difficulties in getting BT to agree to provide the dark (ie unequipped) optical fibres for this

purpose. In several instances it transpired that what was required could form part of the customer's single branch system, and those customers were therefore not restricted to the use of PTO-provided circuits but were free to have them supplied competitively. However in two cases that was not possible as the customers required links which would go outside their branch wiring. At the end of the year several technical questions concerning the customers' equipment were in the process of being resolved but OFTEL's view remains that BT has an obligation, under Condition 1 of its licence, to provide the service of conveying optical signals if the customer's equipment cannot otherwise function properly, provided that the equipment is approved under section 22 of the Telecommunications Act for connection to the public network.

Itemised Billing

2.73 OFTEL continued to monitor BT's progress in making itemised billing available to customers following the modernisation of its exchanges. Further significant progress was made in 1990, as the number of working lines on which this facility could be offered rose from 5.6 million to 17.6 million representing a national availability of about 68 per cent. BT's target of 50 per cent availability by the end of 1990 was achieved ahead of schedule during August. For the longer term BT's aim remains to achieve 75 per cent national availability by the end of 1992, for which it appears to be well on target, and virtual completion of the programme in 1995.

2.74 As foreshadowed in the 1989 Report, OFTEL met representatives from the National Council for Voluntary Organisations (NCVO) in February to discuss the concerns of caring and counselling agencies about the loss of confidentiality that occurs when itemised bills are issued. This could result in a bill payer learning of calls which other members of his or her household made to any of these helplines, perhaps contrary to the caller's wishes, if the calls

used 10 or more BT dialled units (calls of shorter duration are not itemised). OFTEL recognised that such disclosures could cause problems, but on the other hand it is necessary to consider the rights of bill payers to know what they are paying for. Following the initial meeting, OFTEL advised the NCVO of the regulatory and legal position relating to various proposed solutions to the problem (which would result in the details of such calls no longer appearing on bills). At the end of the year BT was still discussing the issues with the caring agencies involved.

2.75 The Director General has made it clear that he regards the introduction of itemised billing as a vital contribution to public confidence in telephone bills. OFTEL has therefore expressed some concern about a draft EC Directive, still under discussion, which appears to require the last four digits of called numbers to be omitted from bills. This would negate the whole purpose of itemised billing and could lead to suspicion and doubts about the integrity of billing systems.

OTHER ISSUES OF CONCERN TO CUSTOMERS

Control of Chatlines and Other Premium Rated Services

2.76 On 8 January modifications made by the Director General to the licences held by MCL, Kingston Communications, Cellnet and Racal-Vodafone came into effect. As a result, live Chatline and One-to-One services can be provided over the four networks only if the Director General has approved acceptable codes of practice (which included the provision of funds to compensate subscribers whose telephones have been used to make unauthorised calls to such services) and the services comply with the relevant code. Similar controls on services provided over the BT network had come into effect in December 1989, and at that time the Director General recognised

one code of practice in respect of Chatlines and another in respect of One-to-One services.

2.77 On 16 March the Director General recognised a code of practice covering the provision of Chatlines (but not One-to-One services) on the MCL network, which was similar to the Chatline code already recognised under the BT licence. However, at the end of the year no codes had been recognised in respect of the Kingston Communications, Cellnet or Racal-Vodafone licences.

2.78 These codes of practice are administered by the Independent Committee for the Supervision of Standards of Telephone Information Services (ICSTIS) which reviewed their first three months in operation. The review concluded that the Chatline code was generally working well and that the compensation fund arrangements were also proving satisfactory. However, ICSTIS considered that its need to rely for monitoring on unannounced visits to service providers, on complaints and on test calls, was constraining its ability to ensure full compliance with the code of practice on One-to-One services, particularly as regards the content of conversations. The Committee also reported the view of the adjudicator of claims on the compensation fund that cases concerning One-to-One services could be handled with more certainty if recordings of conversations were available. (The multiline Chatline code already required the recording of conversations.)

2.79 Accordingly, on 10 July, the Director General made a determination under Condition 33A of BT's licence revoking – with effect from 1 August – recognition of the code for One-to-One services on the grounds that its provisions were “not capable of properly regulating the provision” of such services. However, after ICSTIS had withdrawn the existing Chatline code of practice, the Director General later recognised – also with effect from 1 August – a new, single code of practice prepared by

ICSTIS to regulate the provision of both multiline Chatline and One-to-One services. This code required all One-to-One services to be continuously recorded, on equipment approved by ICSTIS, from 3 September. The code is applicable to services provided on both the BT and MCL networks, but it has not yet been recognised under the terms of the Kingston Communications, Cellnet or Racal-Vodafone licences.

2.80 Four service providers were disconnected by BT, on the instructions of the Director General, for breaches of the codes of practice. One of these companies subsequently applied for a judicial review of ICSTIS's recommendation to the Director General that he should instruct BT to disconnect, and the lines in question were later reconnected following an order by the Court that the Director General's direction should be stayed until the final determination of the application.

2.81 Condition 33A.8 of BT's licence and the equivalent Condition in MCL's licence provide for the Director General to determine that any of the Chatline or One-to-One services should not be treated as such for the purpose of the licence Condition. By the end of the year OFTEL had received applications for 59 services to be exempted from the regulatory controls. The 38 exemptions granted were in respect of the more serious information (as opposed to entertainment) services, which involved the conveyance of specific information and did not constitute a serious risk either of unauthorised use of the telephone or of callers becoming addicted to the services.

2.82 Following an application to the High Court in 1989 for judicial review of the Director General's decision to include the control of interactive games in the modification of BT's licence, the modification was declared void so far as it affected interactive games. At the end of 1990 the Director General was still considering how such services should be regulated in the future.

2.83 During the year BT announced its intention to make available to customers served by its digital exchanges an exchange controlled facility for barring calls to premium rate services. Following discussions with the Director General, BT agreed to introduce this call-barring facility free of charge to customers. The service will be financed by a small levy on calls to premium rate services. Call barring will become available on 1 February 1991.

Nuisance Telephone Calls

2.84 A survey conducted in August suggested that the number of obscene or threatening telephone calls to women was higher than previously thought and could be around 20 million per year. It also provided further evidence of substantial numbers of other types of nuisance calls. (In this context nuisance calls are taken to be those of a menacing or obscene nature, as opposed to unsolicited sales calls.)

2.85 The task force set up by BT in 1989 to review this problem, after the Director General had expressed serious concern, produced its first report in April. The task force comprises BT managers and other interested parties, including groups interested in the protection of women, people who have been the victims of nuisance calls, specialist counsellors and representatives of the police. Its report endorsed the view that a serious problem existed and BT therefore decided on a number of initiatives. The company has set up a national 0800 (free of charge) helpline advice service and – as a trial – a nuisance call bureau in Canterbury to serve customers in BT's North Downs and Weald District. The bureau provides a single point of contact for victims and is responsible for co-ordinating efforts with the police to ensure that nuisance calls are traced wherever possible. Through closer liaison with the police it will seek to ensure a higher success rate for prosecutions. The Director General welcomed this initiative, saying that he believed one of the best ways to counter nuisance calls was through well publicised

prosecutions. If the bureau proves successful similar arrangements will be considered in other BT districts.

2.86 The Director General urged BT to use technology to the full in combatting this problem and BT has responded through moves to develop equipment that would screen incoming calls by interrogating the caller and giving the called party the opportunity to accept or reject the call or to ask for more information. The equipment would use a standard voice message and a secure tape recording facility which could be activated by the customer and used for evidence if necessary. BT has said that its policy is to

trace calls wherever possible when asked by the police. BT hopes that its increasing capacity for tracing calls, as digitalisation of its network progresses, will lead to an increase in the number of prosecutions and – in the longer term – a reduction in the problem. The company was continuing discussions with the police on the best way of ensuring that local forces are able to respond positively to complaints about nuisance calls.

2.87 One possible counter to nuisance calls is calling line identification (CLI) whereby the number from which an incoming call has been made is displayed automatically to the recipient of the call.



3

Non-PTO Licences, Apparatus and Contractor Approvals, and Standards

BRANCH SYSTEMS GENERAL LICENCE (BSGL)

3.1 The greater liberalisation resulting from the November 1989 revised version of the BSGL has been widely welcomed. During 1990, OFTEL has seen signs of new service providers emerging in the UK, wishing to take advantage of the removal of restrictions on the use of private circuits for voice telephony.

3.2 The amendments to the BSGL, giving licensees under it the ability to share exchange lines, to offer spare capacity on private circuits to other companies, and to undertake resale within the UK, resulted in a number of former individual licence holders being able to operate within the scope of the BSGL. For this reason, the number of individual licences issued for the first time fell in 1990 to 11 compared with 20 in 1989. This lower level of activity has reduced the total amount of fees received for

non-PTO licences and the number of staff employed in this area.

3.3 The scope of the telecommunication systems covered by the BSGL continues to include systems where the apparatus is situated in different premises no more than 200 metres from each other. The Secretary of State now has discretion, however, to specify premises outside that limitation (these specified premises are then listed by the Director General). This procedure has also reduced the number of separate licences issued. Further difficulties experienced by users in adhering to the 200 metre rule may be removed by the proposal in the Duopoly Review consultative document (*Competition and Choice: Telecommunications Policy for the 1990s*) that a new class licence for self-provided circuits should be granted, although it is not proposed to allow resale of capacity to third parties from self-provided circuits run under any such licence.

LOGICALLY SEPARATE SYSTEMS

3.4 Another consequence of the revised BSGL was that, with the disappearance of virtually the last of the restrictions on the use of private circuits, it was possible in 1990 to announce the concept that systems which share apparatus under software control may legitimately be regarded as separate and that such logically separate systems may be run under separate licences. In order to be regarded as separate, systems need to possess individual characteristics which are sufficient to enable one system to be distinguished from another. In other words, the basis of the distinction is the manner in which the systems are organised to convey messages in general and this must be capable of being identified from the hardware/software configuration and recorded.

3.5 The principle of logical separation may find application where a company runs two networks under different licences (or one system under the BSGL and another which is exempt from licensing) and it wishes to use the same switch to control both. Provided that each of the logical systems can be clearly defined and is so organised that any message only flows in a way that is permitted by the terms of the relevant licence in respect of that message, the systems would be regarded as being separate although each would have to comply with all the requirements of its licence.

DIRECT MARKETING BY TELEPHONE AND FAX

3.6 Considerable progress was made during the year towards recognising schemes under the terms of Condition 9.2 of the BSGL whereby an objection can be registered to receiving unsolicited sales messages such as telephone sales calls or advertising by fax. A Telephone Preference Service to be run by the British Direct Marketing Association (BDMA) and covering most types of telephone sales call was under discussion and

may be recognised by the Director General under the BSGL in 1991. Discussions have also taken place with Hutton and Rostron Data Processing Ltd on the implementation of a similar Fax Preference Service. The general effect of the recognition of these schemes will be that persons who send messages of a specified type will be obliged to make arrangements that persons registering under the scheme do not receive such messages. Under the terms of Condition 9.1 of the BSGL, people can already register such an objection to the receipt of unsolicited messages from a particular source by contacting that source.

3.7 A further public opinion survey commissioned by OFTEL during 1990 showed that 60 per cent of respondents had received telephone selling calls at home during the past year. A clear majority objected to such calls.

VALUE ADDED AND DATA SERVICES (VADS) CLASS LICENCE

3.8 The issue of the revised BSGL in November 1989 marked the beginning of the end of the Value Added and Data Services class licence. The VADS licence was issued in April 1987 and authorised the running of telecommunications equipment for the provision of value added services in the UK and abroad, and data services within the UK. The VADS licence emerged unchanged from the review which resulted in a revised version of the BSGL and licensees continued to have the option of operating under either class licence. However, the VADS licence is now more restrictive than the revised BSGL and this has had the effect that a significant number of those registered under the VADS licence have now opted to operate under the BSGL. Of the 6 Trilateral Service Providers and 44 Major Service Providers registered under the VADS licence at the end of 1989, only one Major Service Provider continues operating under the VADS licence. All the others now operate under the BSGL.

INTERNATIONAL SERVICES

3.9 The revised BSGL also removed almost all restrictions on international VADS services. Formal agreements with overseas telecommunications administrations to permit the kind of services now permitted within the UK are no longer necessary. International simple resale (and other sorts of resale for voice and telex) remains restricted: the Director General's advice to the Secretary of State in October 1990 that international simple resale should be allowed between the UK and those countries abroad which allow simple resale between themselves and the UK was welcomed in the Duopoly Review consultative document.

OTHER NON-PTO LICENCES

Licences for Broadcasters

3.10 The Broadcasting Act 1990 repealed section 6(1) of the Telecommunications Act 1984 which had exempted from the licensing requirements of that Act telecommunications systems used to broadcast programmes for general reception. This meant that the Director General would assume responsibility for regulating the broadcasting transmission market when the main provisions of the Broadcasting Act came into force on 1 January 1991. During the year, therefore, OFTEL has been considering, in conjunction with the DTI, the appropriate form and content of licences which would then be required by operators of broadcasting transmission systems.

3.11 The Broadcasting Act provided for the transfer of the Independent Broadcasting Authority's (IBA's) broadcasting transmission business to a company nominated by the Secretary of State (National Telecommunications Ltd - NTL) which would be owned by the Crown prior to privatisation. This was the first stage in implementing the Government's intention - announced by the Home Secretary in July 1989 - of moving terrestrial broadcasting transmission systems

progressively into the private sector. In December licences were issued under section 7 of the Telecommunications Act 1984 to both NTL and the BBC to come into effect from 1 January 1991.

3.12 NTL's licence includes service obligations, controls on certain prices and fair trading rules which recognise its powerful market position. There is in the licence a price cap of RPI - 1 which limits annual price increases to the various independent television companies for whom NTL is the only available supplier of transmission services and, currently, of distribution services.

3.13 The obligations in the BBC's licence are more limited, reflecting the restrictions on its freedom to provide services to third parties while its transmission operations remain in the public sector.

3.14 OFTEL has also, with the DTI, been considering other licensing measures required to cover broadcasting systems, such as the suitability of including studio systems in the BSGL, the licensing of private switching systems and new class licences for outside broadcast systems and local relay systems. (See also paragraph 3.41 on approvals for broadcasting apparatus.)

Telepoint

3.15 By the end of 1990, three of the four licensed Telepoint operators were running services - 'Zonephone', 'Phonepoint' and 'Mercury Callpoint' all made progress in developing their services with expansion of their networks in major towns and along main highways. The fourth service, 'Rabbit', was expected to begin in 1991 using CAI (Common Air Interface) equipment. OFTEL continued to advise the DTI on the terms and conditions of the long-term licences, which will succeed the current temporary licences and allow the operators to provide a limited (that is, not continuous) two-way service, whereby users could temporarily 'log on' to a base station and so be contactable. Views on the scope and possible

take-up of 'Telepoint-to-the-home' services are sought in the Duopoly Review consultative document.

Wide Area Radiopaging

3.16 Licences under the Telecommunications Act 1984 were issued to the following operators who were already operating under licences issued under the previous legislation: Bell Boy Ltd and Pageboy (London Paging) Ltd. At the beginning of 1990 a Memorandum of Understanding for the implementation of the European Radio Messaging system (ERMES) was signed by the seven UK operators and operators from most European countries under which the signatories agreed to open service in late 1992. In March an international paging service, Euromessage, was launched providing a service covering the UK, France, Italy and West Germany. Switzerland joined the consortium shortly after the launch.

3.17 In October 1990 OFTEL began discussions with interested parties about whether paging equipment connected to the public networks should remain subject to approval under section 22 of the Act. The existing paging licences require all telecommunications apparatus connected to any Specified Public Telecommunications System (PTS) to be approved for such connection. The specified PTSs are BT, Mercury, Kingston Communications, Racal-Vodafone and Cellnet, although this does not preclude the subsequent specification of others. At the end of 1990 there were no common approval standards in the paging field and it was unlikely that a standard suitable for one company would exactly meet the needs of another. So far approvals have been on a site-specific basis but OFTEL does not believe that continuing to rely on site-specific approvals is satisfactory in the long term. OFTEL has therefore proposed that the requirement in the paging operators' licences that apparatus should be approved under section 22 of the Act might be supplemented by a power enabling the Director General to suspend the requirement or

substitute an alternative, less onerous one. Responses to this proposal were being considered at the turn of the year, and it was hoped that appropriate amendments to the licences would be made early in 1991.

Private Mobile Radio (PMR)

3.18 During 1990 a number of private mobile radio (PMR) licences have been granted, primarily to public authorities, allowing the interconnection of their PMR systems for private use only to other systems and the PSTN. The purpose of such interconnection has been, in the main, to cope with emergency situations when swift direct access from the PMR system is essential. The number of such licences issued or renewed in 1990 was 30.

3.19 The existing operators of trunked PMR networks in Band III continued to expand during 1990 and to take on new subscribers. An additional regional network run by National Mobile Radio Ltd commenced service in the Edinburgh, Glasgow and Aberdeen areas. 1990 also saw the announcement of the successful applicants for new regional licences and for new licences within the M25 area using frequencies in sub-band 1 of Band III. In April the Secretary of State announced that five licences were to be granted to operators for networks within the M25 area. The successful applicants were Hutchison Telecom, London Radio Networks Ltd, Mercantile Radio Services Ltd, Trunked Radio Networks Ltd, and Radionet Ltd. The last of these operators said it intended to offer a service for use by handportable equipment only, which would be the first network of its kind in this country.

3.20 In October the Secretary of State announced the award of 22 new regional licences covering most parts of England, the Glasgow and Edinburgh area and Aberdeen. New licences would be issued to the following operators: eight to Trunked Radio Networks Ltd, three to RT Radiophones Ltd, three to National Mobile Radio Ltd, one to

R&D Communications Ltd, four to Key Radio Ltd, two to Radiophone and one to Wessex Radio Network Ltd. In addition the two national network operators, GEC National One and Band III Radio Ltd, would receive additional channels in the lower sub-band of Band III. The announcement also indicated that no further licence applications would be invited for sub-band 1 and that frequencies not allocated initially to the new licensees would be used to provide scope for expansion in the future.

3.21 On 26 June, following advice given by the Director General, the Secretary of State announced proposals on new freedoms for mobile network operators to market their services (see paragraph 2.17). The necessary amendments to the Band III licences are expected to be made early in 1991 and the Band III operators will then be the first to be affected by the proposed changes.

Non-PTO Cable Licences (SMATV)

3.22 1990 saw a continued interest in the provision of Satellite Master Antenna Television (SMATV) services. OFTEL advised the Cable Authority on 170 applications for cable diffusion service licences under the Cable and Broadcasting Act 1984, compared with 98 in 1989. Of these, 120 were for cable systems which also required an individual licence under the Telecommunications Act 1984 (compared to 59 in the same category during 1989).

3.23 The Director General continued to advise the Secretary of State on the issue of such licences, and during the year a total of 165 licences were granted for SMATV cable systems. A total of 19 licences were revoked by the Director General, 15 at the licensee's request and four because the licensee had gone into liquidation. In addition, the Director General issued final orders under section 16 of the Act in relation to 10 licensees following non-payment of licence fees.

3.24 Three complaints relating to programme reception and one complaint about

charges for SMATV cable services were received during the period of this Report.

3.25 The Broadcasting Act 1990 introduced a revised licensing regime for SMATV cable systems. The Cable Authority's licensing functions would be taken over by the newly formed Independent Television Commission (ITC). From 1 January 1991, cable systems covering less than 1,000 homes would not need to be licensed by the ITC, although they would still require a licence under the Telecommunications Act. Most of these systems would be authorised to provide services by a class licence, although multi-premise SMATV systems would still need to register with OFTEL. All other cable systems passing 1,000 homes or more (with the exception of broadcast relay systems carrying only the four terrestrial channels provided by the BBC, Channel 3 and Channel 4/S4C, and those systems in existing cable franchise areas) would be awarded Local Delivery Operator (LDO) licences by the ITC.

3.26 Under the transitional arrangements in the Broadcasting Act, operators of existing broadcast relay systems which, on 31 December 1990, were carrying the four terrestrial channels and all five DBS channels were eligible to apply for an automatic licence under the Telecommunications Act. This would allow them to carry any authorised satellite TV and radio channels after 1 January 1991. OFTEL received over 1,500 licence applications for this type of licence and these applications will be processed during 1991.

Satellite Services

3.27 During the year, further temporary licences were granted to British Aerospace Communications (BAeCom), Satellite Information Services Ltd (SIS), Uplink Ltd and Kingston Communications (Hull) plc to allow them to provide specialised satellite services on a one-way point-to-multipoint basis for reception in the UK and Europe. BSB DataVision was granted its full (12 year)

licence. By the end of the year, neither Maxwell Satellite Services nor EDS, the other two companies offered licences as specialised satellite services operators (SSSOs), had started to provide services. Following the relaxation, in November 1989, of the rules for retransmission of satellite signals by the SSSOs and the broadcasters, temporary downlink licences were granted to BAeCom and SIS to allow them to retransmit messages for their customers, and to 14 broadcasting companies to allow them to transmit satellite signals over their broadcasting networks.

3.28 Several changes to the structure of some of the SSSO companies took place during the year. BAeCom acquired a majority interest in Satellite Management International, a company which specialises in organising large-scale live television events using satellite links. Uplink Ltd was acquired by Reuters Ltd. BSB DataVision continued to provide service to its existing customers following the merger between Sky and BSB.

3.29 In November, the European Commission published its long-awaited Green Paper on satellite communications. The Paper proposed that member states should liberalise the earth segment, in particular the provision of two-way VSAT services not connected to the PSTN, and that there should be direct access by all service providers to space segment capacity. The EC also proposed that EUTELSAT should be free to market its satellite capacity and, with regard to the 'economic harm' consultation requirements, recommended that member states should work towards a review of the EUTELSAT Convention and its Operating Agreement. The UK Government supports the broad thrust of the EC's proposals on both the earth and space segment.

3.30 Towards the end of the year, a review of the operation of the Signatory Affairs Office (SAO) and the arrangements for handling space segment requests from the

SSSOs was started. Discussions took place with BT on the terms of a UK internal challenge procedure, similar to that operated by the international satellite consortia, which would allow the SSSOs to challenge space segment reservations held by other UK operators.

Alarms

3.31 A class licence for fixed link radio alarm systems was published in June 1990. A further class licence in respect of old people's alarms was in the course of preparation but the DTI then suspended action on this pending the outcome of the Duopoly Review since any decision on the self-provision of circuits could have an effect on the need for a class licence in this area.

APPROVALS

Transfer of Approval Authority to BABT

3.32 On 10 September 1990 the British Approvals Board for Telecommunications (BABT) was appointed by the Secretary of State for Trade and Industry as a body responsible for type approval of telecommunications terminal equipment under section 22 of the Telecommunications Act 1984. The appointment was linked to a Fees Order, under section 25 of the Act, which allows BABT to charge application fees for approvals for simple attachments and cellular mobile radio apparatus. Call routing apparatus (CRA) is not covered by the current Fees Order; therefore for the time being all type approvals for CRA will continue to be granted by OFTEL. OFTEL will also continue, where appropriate, to grant site-specific approvals and general approvals for all types of equipment.

Type Approval of Apparatus

3.33 A total of 1,442 items of apparatus were granted type approval during 1990. Of these

284 were granted by BABT following their appointment as an approval authority.

3.34 No type approvals were withdrawn but 644 existing approvals were varied (see also paragraph 3.42). These resulted mainly from enhancements to approved apparatus, the granting of unqualified approval to apparatus approved under BABT's interim approval arrangements, or approvals to facilitate field trials or testing and development of CRA. A number of variations were made because the holder no longer wished to supply that type of apparatus in the UK.

3.35 During 1990, ISDN terminal adaptor and control equipment were approved for the first time.

Payphones

3.36 A total of 28 payphones had gained type approval against the OFTEL approval requirements for payphones (OTR 002: 1988) by the end of 1990.

3.37 During the year OFTEL reviewed OTR 002: 1988 in consultation with industry, PTOs and BABT, with the aim of preparing a revised version for issue during 1991. After a transitional period, apparatus submitted for approval will have to meet the revised requirements. The revised OTR 002 was notified to the European Commission in December 1990 under Directive 83/189 procedures.

General Approvals

3.38 Manufacturers or suppliers of apparatus covered by a General Approval need take no steps to gain legal approval of their apparatus – this is automatic provided that the apparatus concerned meets the requirements of the General Approval. Normally, if appropriate, a statement must be provided to the user that the apparatus is approved, quoting the General Approval number that applies. OFTEL issued four General Approvals in 1990.

3.39 A General Approval (NS/G/23/L/100005) for cable, wire and wiring accessories connected to analogue voiceband telecommunications services was issued in April 1990. Work also began on a General Approval to cover the use of these devices for digital connection.

3.40 A General Approval (NS/G/1/L/100006) was issued in October 1990 which allowed the direct connection of asynchronous data character terminal apparatus to the Mercury PSTN and to branch systems at interfaces where the Paknet Radio Data Network Service is available.

3.41 With effect from 1 January 1991, under the Broadcasting Act 1990, broadcasting equipment connected to public telecommunication networks required approval under the Telecommunications Act 1984 (see also paragraphs 3.10 to 3.14). To help meet this requirement two General Approvals were issued in December. The first (NS/G/123/L/100011) gave temporary approval for existing apparatus used for broadcasting purposes at fixed and mobile studios, non-PTO switching centres and transmitter sites, and which was connected on or before 31 December 1990 to programme circuits provided by PTOs. The second (NS/G/123/L/100013) gave permanent approval for indirectly-connected apparatus at fixed and mobile studios. Work was also put in hand to establish permanent approval mechanisms for directly-connected studio apparatus, and for apparatus at non-PTO switching centres and transmitter sites.

Network Code of Practice

3.42 The decision to make the *Code of Practice for the Design of Private Telecommunications Networks* (NCOP) advisory (see paragraph 3.50) meant that there was no longer a need for regulatory control to ensure that the performance of all voice connections is satisfactory. In the light of this OFTEL subsequently removed with effect from 1 November 1990 (under General Variation NS/V/123/L/100010) the restrictions in the

type approval conditions in many PBXs and multiplexers which prevented users from carrying PSTN voice traffic on certain routes.

Temporary Site-Specific Approval Scheme

3.43 During the year, 89 approvals were given under the NCOP temporary scheme which was launched in October 1987 to allow operators of private networks to extend PSTN traffic within their private networks. However, as a consequence of the NCOP decision, the scheme was no longer necessary and it was terminated by OFTEL on 1 November 1990, simultaneously with the issue of General Variation NS/V/123/L/100010 (paragraph 3.42).

CRA Maintenance Contractor Approvals

3.44 During 1990 a total of 86 approvals under section 20 of the Telecommunications Act 1984 were granted to independent contractors wishing to maintain items of CRA. Of these, 28 were contractors who received approval for the first time during the year. Three approvals were withdrawn because the holders no longer wished to maintain the type of apparatus concerned. At 31 December 1990 there were 121 contractors in respect of 206 models of CRA.

New Connection Arrangements for CRA

3.45 Upon completion of the work on strengthening of its existing schemes to provide the necessary safeguards to protect the interests of both PTOs and users, the British Standards Institution (BSI) introduced in April 1990 a new Quality Assessment Schedule (QAS 7902/377) to BS 5750: Part 2 relating to the installation, commissioning and connection of Call Routing Apparatus. The Director General then formally specified that installers who gain BSI registration against QAS 7902/377 may make the connection between CRA and the public

network without attendance by the PTO being necessary.

3.46 A similar new Quality Assessment Schedule (QAS 7902/381) to BS 5750: Part 3 relating to the inspection and connection of installed CRA was introduced in September, which enabled the Director General to specify that maintainers who gain BSI registration against QAS 7902/381 may inspect and connect installations for which they are the Designated Maintainers. The liberalisation of connection arrangements for CRA will offer customers a wider choice of who makes the final connection to the public network.

STANDARDS

Technical Requirements for Private Branch Exchanges with Telecommunication Ports (OTR 001: 1988)

3.47 Apparatus is normally approved in the UK by testing against regulatory standards. Most apparatus is tested against British Standards or European Standards (NETs) where these exist, although these are supplemented by interim standards produced by the DTI in the past, and now by OFTEL. The interim standards will be replaced by BSs in due course, and eventually by new European Common Technical Regulations (CTRs) as they become available (see paragraph 3.56).

3.48 During the year work was undertaken through BSI's TCT/8 Committee to incorporate the interim PBX standard produced by OFTEL (OTR 001: 1988) into BS 6450: Part 4. The opportunity was also taken to reflect regulatory and other changes, including the decision to make the NCOP advisory (see also paragraph 6.4), in the draft BS which is due to be issued for public comment in early January 1991. OFTEL is considering the designation of BS 6450 as the UK standard for type approval of PBXs in place of OTR 001,

pending introduction of a European standard (see also paragraph 3.55).

3.49 OTR 001 required PBXs capable of configuration with a centralised answering station (commonly an operator's console) to be able to be used by visually handicapped telephonists. The requirement to provide these facilities was however deferred to give a two year period of grace, and was due to come into force after March 1990. Subsequently, in July 1990, OFTEL announced (in OFTEL Update SA43) that certain systems and those not initially approved against OTR 001 must provide a visually handicapped operator's console by July 1991. OFTEL intends to issue variations to the approvals of any systems which fail to comply with this requirement by that date to stop their further supply.

Code of Practice for the Design of Private Telecommunications Networks (NCOP)

3.50 On 6 July 1990 the Director General announced that the NCOP would not become a mandatory requirement – instead the users of private networks would be free to exercise their own judgement about the standard of quality which they require of their networks. The NCOP was subsequently revised in the light of the Director General's decision, and a new advisory version was published in November 1990 as recommended best practice. Private circuits would normally be expected to comply with the new advisory NCOP and the preferred values given in the code are OFTEL's main recommendations for the planning of private networks. The Director General has indicated, however, that he will keep the matter under review.

Metering

3.51 Work continued under the small Metering Group established by BABT to work out an agreed scope, approach and programme for a Meter Approval Scheme. In September 1990 BABT formally submitted

to the Director General the first report on its work in this area – *Approval of PTO Meter Systems*. In November 1990 the Director General published the BABT report, noting that although progress had been made, including the voluntary extension of the work to the billing systems of BT and MCL, first approvals were not expected before Spring 1991. He drew the attention of the PTOs to the report and said that he would be discussing it with them and considering whether any further regulatory action by OFTEL might be required to achieve public confidence as soon as possible in billing systems (see paragraph 1.35).

3.52 BABT also submitted to the Director General a technical standard, agreed by BT and MCL, for the approval of meters; and in November the Director General gave notice to the PTOs of his intention to designate the standard under section 24 of the Telecommunications Act. The standard had been notified earlier in the year to the European Commission under Directive 83/189 procedures.

MARKING AND LABELLING

3.53 OFTEL continued its regulatory and advisory role to the public, Trading Standards Officers and others on the provisions of the Telecommunication Apparatus Marking, Labelling and Advertising Orders. Some equipment, including several devices with the claimed capacity to identify the caller, or prevent a caller from getting through, was advertised without the appropriate mark to show whether or not it had gained approval for connection to the network. OFTEL continued to warn advertisers, suppliers and publishers that it was illegal to advertise or place on the market equipment which did not carry the markings required under the Orders.

EUROPEAN DEVELOPMENTS

European Telecommunications Standards Institute (ETSI)

3.54 OFTEL continued to take a limited but active part in the work of the European

Telecommunications Standards Institute (ETSI), through attendance at the Technical and General Assemblies, and participation in the work of several of ETSI's Technical Committees – Network Applications, Business Telecommunications, and Terminal Equipment.

3.55 The European Commission prepared for ETSI a mandate to write a technical report on the approval of complex subscriber equipment and installations in preparation for work on an approval standard for PBXs. This work will be carried out in ETSI's Business Telecommunications Technical Committee which had already discussed proposals from OFTEL for a European approach to PBX standardisation.

New European Directive for Mutual Recognition of Type Approvals

3.56 A common position on a new Directive (to replace Directive 86/361) was reached by the Council of Ministers in June 1990. Intended to become fully effective towards the end of 1992, it will replace the earlier Directive with a comprehensive regime for type approvals against harmonised requirements to be known as **Common Technical Regulations (CTRs)**, which will succeed NETs. ETSI will be the main body to draft the standards which will be adopted as CTRs.

3.57 Provided apparatus is within the scope of the Directive, meets its 'essential requirements' through conformity with relevant CTRs, and has assurance of production quality control, it will receive a certificate of conformity and administrative approval by the notified national body (expected to be BABT for the UK), and can carry a 'CE' mark and other prescribed inscriptions, following which it can be freely placed on the market and connected to the public telecommunications network in any member state. A bilateral agreement being negotiated by the Community with EFTA will extend mutual recognition, placing on

the market, and connection, to all six EFTA countries and vice versa.

3.58 Where harmonised standards do not exist, national conformity standards and marking provisions will continue to apply. Therefore, for the foreseeable future, as CTRs are agreed and become available, there will be a mixture of Community and national standards and approval regimes in force; the UK's Marking and Labelling Orders (see paragraph 3.53) may also require amendment.

3.59 The Directive, as soon as it is signed by the Presidency, will repeal Article 10(4) of the EMC Directive (89/336). This will have the effect of requiring formal EMC testing of terminal equipment only for those aspects which are telecommunications-terminal specific; for other aspects, manufacturers' self-certification will be sufficient.

Other European Directives

3.60 Following the policy of liberalisation within Europe, initially set out in the EC Green Paper issued in 1987, the European Commission and its Council of Ministers issued two important new Directives during 1990. These were:

- Council Directive of 28 June on the establishment of the internal market for telecommunications services through the implementation of open network provision (90/387/EEC); and
- Commission Directive of 28 June 1990 on competition in the markets for telecommunications services (90/388/EEC).

3.61 OFTEL has assisted the DTI (which has responsibility for international matters on telecommunications) to assess the impact on the current licensing regime within the UK and consider the changes needed to implement these Directives. OFTEL has also assisted in reporting progress made to the Commission as required.

3.62 OFTEL has been engaged in work arising from other forthcoming Directives in

the area of open network provision. These will set out the specific requirements for providing open access to networks in relation to leased lines; packet and circuit switched data services; voice telephony services; integrated service digital networks (ISDN); telex services; mobile services; and, possibly, new developments in public networks such as 'data over voice', intelligent functions and broadband networks. OFTEL has also been examining, in conjunction with others in the UK, the proposals made by the EC to introduce new Council Directives on the subject of data protection for individuals.

WORKING GROUP ON TELECOMMUNICATIONS FOR THE HEARING IMPAIRED

3.63 The Working Group on Telecommunications for the Hearing Impaired (WGHI) advises the Director General on technical problems in meeting the telecommunications needs of hearing-impaired people. During the year, the Group also resolved to consider technical issues affecting speech-impaired users of telecommunications services, as such issues are closely related to those of hearing-impaired people. Included in WGHI's membership are experts familiar with telecommunications manufacturing and research and representatives of various voluntary organisations. WGHI works closely with DIEL (see Section 8) and has

consolidated its links during the year with WGHI's Chairman attending two meetings of DIEL.

3.64 WGHI's research report into the acoustic coupling of telephone receivers and hearing aids was published towards the end of the year. WGHI is currently contemplating further work to be undertaken as a result.

3.65 Two WGHI members continued to attend meetings of the European Organisation for Co-operation in the Field of Science and Technology (COST) and, through this, kept the Group in close touch with European developments concerning telecommunications for disabled people. WGHI re-affirmed the importance of the UK fielding experts to take part in European projects.

3.66 At the end of the year, WGHI considered its response to the Duopoly Review consultative document *Competition and Choice: Telecommunications Policy for the 1990s* and submitted its views to the Director General. In particular, the Group would wish the current licence conditions which require the availability of telephones adapted to meet the needs of hearing-impaired users and the provision of inductive coupling in payphones, and in lifts, to be maintained and made mandatory in licences issued for the provision of public telecommunications services.



4

Consumer Affairs

4.1 OFTEL has a number of specific responsibilities to promote the interests of consumers, including the investigation of individual consumer's representations and considering the wider issues arising from them; ensuring that PTOs and other suppliers comply with codes of practice; and monitoring the quality of telecommunications services.

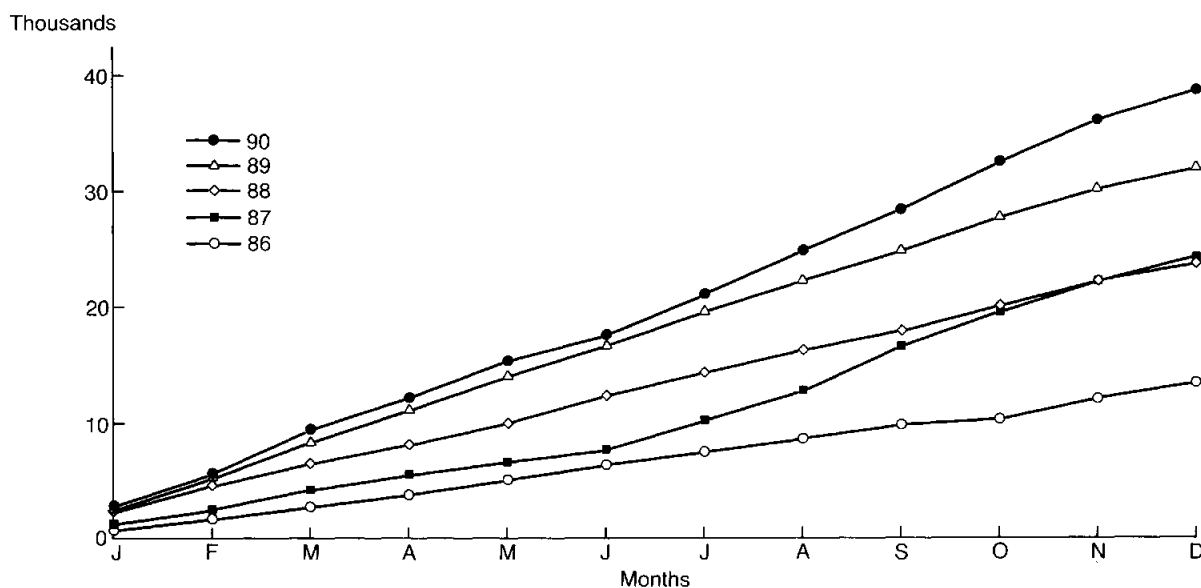
REPRESENTATIONS ABOUT TELECOMMUNICATIONS SERVICES

4.2 As in previous years, most representations made to OFTEL and the four National Advisory Committees on Telecommunications came from residential and small business customers. During 1990, OFTEL and the English Committee received 38,530 representations (see Appendix 2 for a breakdown).

4.3 The overall total for 1990 showed a 21 per cent increase over representations made

in 1989, which was itself 34 per cent higher than 1988 (see graph overleaf). Most of the increase in 1990 over 1989 was probably due to a change in the way telephone representations were answered within OFTEL and the greater accuracy in compiling statistics this allowed. More people also appear to be seeking general advice by telephone on a wide range of telecommunication-related topics. Many of these calls should have been directed to BT, or the other PTOs, rather than OFTEL. In June, a dedicated Telephone Unit was established to meet this demand, and it is now answering some 2,500 calls per month. The number of written representations in 1990 (12,445) was virtually identical to that for 1989.

4.4 However, there has been a noticeable change in the proportion of representations about billing. In 1989, 48 per cent of total representations were about disputed bills, but in 1990 the proportion dropped to 42 per cent. This change can be accounted for by the change in the make up of telephone



Total representations about BT received by OFTEL and ENACT (1986–1990)

representations. The number of written representations about disputed bills has not changed significantly. OFTEL hopes that the greater availability of itemised bills will lead to a reduction in the volume of representations about bills. Although, by the end of December 1990, itemised billing was available on some 68 per cent of all customer exchange lines (see paragraph 2.73), the take-up rate by eligible customers remained disappointingly low at 32 per cent.

4.5 A growing problem throughout the year was disputes about calls to premium rate numbers. The introduction of call-barring, free of charge, for customers on digital exchanges (see paragraph 2.83) will allow customers who take up this option to protect themselves from unauthorised usage of their telephone apparatus to contact these services and run up unexpectedly high bills. Initially call barring would be available on about 46 per cent of BT's exchange lines.

4.6 In addition, in co-operation with BT, the Director General started a special investigation into allegations that calls were being attributed to customers' bills without these calls having been made from the customers' telephones. This investigation was continuing and its findings should be available in 1991.

4.7 As stated in the 1989 Report, the Director General continued to be concerned about BT's apparent failure to respond adequately to customers' complaints by improving its own complaints-handling procedures. New procedures expected to be introduced in 1990 were deferred until April 1991, to coincide with BT's major reorganisation known as 'Project Sovereign'. OFTEL will monitor closely whether the new procedures provide a better service to those customers who are dissatisfied with aspects of BT's performance.

CODE OF PRACTICE FOR CONSUMERS

4.8 Condition 27 of BT's licence requires it to consult the Director General at least every three years about the operation of its Code of Practice for Consumers. Delays in agreeing final modifications to the text regrettably delayed completion of the revised code until the end of this year.

DEPOSITS

4.9 During the year, BT introduced on a nationwide basis a new procedure for ass-

essing both the need for, and value of, deposits required from new customers. The new method of credit assessment was intended to reduce the number of prospective customers from whom a deposit was sought. However, since it was introduced, there have been complaints to OFTEL about the values of deposits required, which can be as high as £750, and the criteria upon which the request for a deposit are based. OFTEL was concerned about some aspects of this new procedure and started an investigation to establish whether it complied with the company's licence obligations.

PUBLIC CALL BOX SERVICES

4.10 BT's service at its public call boxes continued to be monitored through a joint BT/OFTEL survey, using independent market research consultants. The survey showed that the percentage of call boxes in working order had been maintained at around 95 per cent – the target BT achieved in March 1989 – and for individual BT Districts was consistently above 90 per cent.

4.11 During the year, MCL continued to expand its payphone services and had approximately 4,500 Mercurycard phones in operation by the end of 1990. The expansion was largely due to its joint marketing agreement with Paytelco in 1989.

QUALITY OF SERVICE

The Fixed Networks

4.12 OFTEL continued to measure various aspects of the quality of telephone services during 1990. Public opinion surveys were carried out by NOP (Market Research) Ltd and RSGB (Research Surveys of Great Britain) Ltd but this year OFTEL did not carry out its own domestic call quality survey.

4.13 However, a survey of business call quality was conducted during 1990, with the

help of the National Federation of Self-Employed and Small Businesses. Those who participated experienced higher rates of call failure than BT's own figures would suggest. The incidence of call failure found was similar to that in OFTEL's 1989 domestic call quality survey, but in the business survey there was a higher incidence of connected but unsatisfactory calls – wrong numbers, noisy lines, etc. Possible explanations for these results could include a higher rate of dialling errors among business users in a hurry and a higher rate of faults due to customer premises equipment. Business customers may also be harsher than residential customers in their subjective assessment of call quality.

4.14 OFTEL conducted a survey of BT's fault reporting (151) service in May using members of the local Telecommunications Advisory Committees (TACs). Those participating experienced congestion of nearly 4 per cent.

4.15 In December OFTEL published its report *Telephone Service in 1990* which contained a variety of data from the surveys, including the omnibus surveys (see also paragraph 2.84 on nuisance calls), and other sources, and details of the consumer representations received by OFTEL. The Director General said he intended to continue commissioning public opinion surveys as necessary but did not envisage conducting more surveys on call quality on the fixed networks during 1991.

4.16 BT's second six-monthly report on its quality of service published in November showed continuing improvements over a broad range of indicators – in particular, in the incidence and repair of faults, both of which had deteriorated early in 1990 due to the bad weather. The November report included the final two private circuit indicators – on reliability and availability – requested by the Director General.

4.17 MCL's quality of service report published in August covering the first half of

1990 also showed encouraging trends. Congestion on MCL's Directory Enquiry service fell dramatically following the introduction of charges for the service in January 1990. Its report for the second half of 1990 included statistics of call failure rates. These fluctuated around 2-3 per cent.

The Cellular Networks

4.18 Quality of service on the cellular networks continued to cause concern during 1990, although the indications were that the levels improved during the year. Both Cellnet and Racal-Vodafone continued to submit

quality of service reports to the Director General. However, it emerged that there was some incompatibility between the two sets of data, arising from the different operational characteristics of the networks. Certain of these difficulties remained unresolved and OFTEL consequently had to suspend, for the time being, the series of reports on cellular quality of service which it began publishing towards the end of 1989. At the end of the year OFTEL was discussing, with the operators, a possible alternative approach, based on an independently conducted drive-around survey supervised by OFTEL in consultation with the network operators.



5

Information and Publicity

STATUTORY REGISTERS

5.1 Under the provisions of sections 19, 21 and 23 of the Act, the Director General is obliged to keep publicly accessible registers of:

- All licences issued under the Act, along with details of any modifications, revocations, orders, consents or determinations relating to them.
- All contractors approved under the Act for the maintenance of apparatus (mainly Call Routing Apparatus – CRA) along with details of every variation or withdrawal relating to them.

5.2 At the end of 1990 the register of licences numbered 778 excluding renewals. The number of new licences issued in 1990 was 312. A list of non-PTO licences added to the register is given in Appendix 4 and broadband cable operators licensed as PTOs in Appendix 5.

5.3 The approved contractors' register consists of particulars of contractors approved by the Secretary of State since 5 August 1984. A total of 1088 were in force at 31 December 1990 held by 121 contractors in respect of 206 models of Call Routing Apparatus (CRA). Details of the 1990 approvals for contractors are given in Section 3.

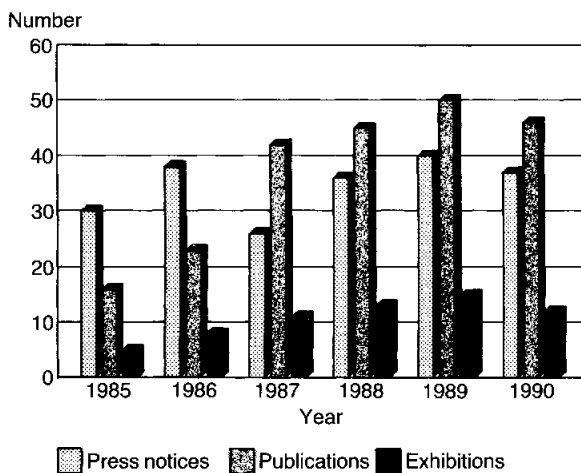
5.4 The approved apparatus register includes documentation on individual items of apparatus approved by the Secretary of State since 5 August 1984, by the Director General since 1 December 1986 and by BABT since 10 September 1990 (see paragraph 3.32). Also included are particulars of apparatus approvals issued under the British Telecommunications Act 1981 prior to 5 August 1984. At 31 December 1990, there were 11,974 approvals in force. Details of 1990 approvals are given in Section 3.

5.5 During 1990 BABT took over responsibility for the apparatus approvals database. OFTEL, however, continued to enter key

particulars of contractor approvals on computer. Both databases are available to facilitate the handling of public enquiries. A total of 541 such enquiries were dealt with in 1990. All registers are available for public inspection at OFTEL's Library between 10 am and 4 pm on normal working days.

PUBLICITY ACTIVITIES

5.6 Although OFTEL's publishing and exhibitions activities were slightly decreased compared with 1989 (see diagram), there was an increase in media coverage of OFTEL generally due to the high level of interest generated by the Duopoly Review. The consultative document itself, which contained considerable input from OFTEL, was published by the DTI and launched at a joint OFTEL/DTI press conference on 13 November. Anticipation of its content beforehand and discussion of the implications afterwards ensured that telecommunications was one of the most popular subjects in the media during 1990.



Some of OFTEL's information activities (1985-1990)

5.7 There was an increase of nearly 15 per cent in a year in the number of people who had heard of OFTEL according to a survey conducted in August 1990 by RSGB (Research Surveys of Great Britain) Ltd.

Over 31 per cent of those asked were aware of OFTEL.

PUBLICATIONS

5.8 OFTEL continued to publish a wide range of literature with 46 titles published during the year. Among these was the Director General's Advice to the Secretary of State - *International Telephony: Simple Resale and Control of Prices*. This document outlined Sir Bryan's recommendation to impose a price cap on international calls and to allow international simple resale where the equivalent is allowed in the other country concerned. In November OFTEL published a new advisory *Code of Practice for the Design of Private Telecommunications Networks (NCOP)* which reflected the Director General's decision earlier in the year to reduce non-essential regulation by making the NCOP advisory rather than mandatory.

5.9 Just before Christmas the annual review of telephone services in the UK was published - *Telephone Service in 1990*. The Report covered various aspects of the quality of service provided by BT (see paragraphs 4.12 to 4.15). A survey of residential subscribers showed that nearly two thirds of the sample had received telephone sales calls at home during the previous twelve months. The results of another survey (see paragraphs 2.84 to 2.88) indicated that there could be as many as 20 million obscene calls made to women each year with an additional 5 million such calls received by men. Elsewhere, the Report showed a steady improvement in the standard of services.

5.10 The Advisory Committee on Telecommunications for Disabled and Elderly People (DIEL) produced a new information pack containing fifteen individual leaflets offering advice on telecommunications matters to its target audience. This folder, which was given out at exhibition venues and through appropriate organisations, has proved to be

extremely popular with nearly 8,000 packs distributed between its publication in October and the end of the year.

5.11 *OFTEL News* – OFTEL's magazine for the telecommunications industry – continued to be valued by its readership. By the end of the year nearly 19,000 copies of each issue were being distributed through OFTEL's mailing list – an increase of 1,000 over 1989. During the year six issues of *Newsline* – the newsletter through which OFTEL maintains regular contact with the Telecommunications Advisory Committees (TACs) – were published.

5.12 In June a new 16-page illustrated booklet *A Consumer Guide to Telephones and Services* was published. This booklet gives information on the various options and services now available to the consumer and seeks to make telecommunications developments more easily understandable. The popular *Guide to Cellular Services* was revised and reprinted during the year.

5.13 A full list of publications issued by OFTEL during 1990 is given in Appendix 6 of this Report.

PRESS AND BROADCASTING

5.14 A total of 37 press releases were issued by OFTEL's Press Office during 1990. These covered subjects as diverse as BT's price increases, the control of Chatlines, quality of service, logically separate telecommunications systems, international prices and services and developments in cable TV systems. The Director General gave many press interviews and briefings to ensure that the public were given the maximum opportunity to become aware both of changes in the regulatory regime and of his approach to new issues.

5.15 The Director General was much sought after as a contributor for both radio and television features, news programmes and consumer programmes. During 1990 he took

the opportunity to keep the public informed on telecommunications matters in the following programmes:

Radio

Radio 4: BBC News (four times), Today Programme (twice), You and Yours, PM Programme (three times), Financial World Tonight (three times). *Radio 2*: Jimmy Young Programme. *Radio 1*: Newsbeat. *Others*: Independent Radio News (twice), LBC (twice), Radio Bristol, Radio Sheffield, BBC Midlands and the BBC World Service.

Television

News programmes: BBC News at One, ITN News at Ten, ITN News at One, Channel 4 News, and Sky Business News. *BBC*: Breakfast Time (twice), The Money Programme (twice), and Open Space. *Channel 4*: Checkout, The Thatcher Audit, and the Business Daily Programme (four times). *Others*: ITV City Programme and Sky TV (twice).

CONFERENCES AND SEMINARS

5.16 The Director General and senior OFTEL staff continued to meet the need to explain the evolving regulatory regime and OFTEL's policies by fulfilling speaking engagements at seminars and conferences at home and overseas during 1990. With the increasing number of other countries moving towards the introduction of competition in telecommunications, OFTEL has become recognised as a role model and this has stimulated the demand for OFTEL speakers in many parts of the world. The Director General addressed audiences in Paris, Brussels, Venice, Helsinki, Budapest, Singapore, New York and Tucson in the USA, Kuala Lumpur, Santiago and Australia. The Deputy Director General and other staff made presentations in Paris, Brussels, The Hague, Bad Neuenahr-Ahrweiler in West Germany, Stockholm, Rome, and Atlanta.

In March OFTEL invited the members of the Parliamentary Information Technology Committee to a special meeting at OFTEL's headquarters to discuss the issues currently being addressed and future issues expected to arise in conjunction with the forthcoming Duopoly Review.

EXHIBITIONS

5.17 The planned exhibition programme continued to play an important role in explaining OFTEL's aims and involvement to the telecommunications industry, consumers and consumerists, and specialist groups such as small businessmen and elderly and disabled people. For the first time OFTEL participated in the exhibition at the Annual Conference of the Telecommunications Industry Association which was held in Manchester, and the Annual Conference of The Institute of Consumer Advisors in Birmingham. OFTEL had a stand at important telecommunications industry events such as the Telecommunications Managers Association (TMA) Annual Conference in Brighton and at *Communications '90* held at the National Exhibition Centre near Birmingham. Consumer events such as the Consumer Congress and the Annual Conference of the National Association of Citizens Advice Bureaux continued to feature in OFTEL's programme. The new DIEL information pack (see paragraph 5.10) was launched at the *Naidex* exhibition in October. The growing importance of the mobile telecommunications industry was reflected by OFTEL's continued presence at the *Comex* exhibition held this year in Telford. The Advisory Committee on Telecommunications for Small Businesses (BACT) exhibited at the Annual Conference of the Confederation of British Industry.

5.18 A full list of events attended by OFTEL follows:

Telecommunications Industry

March Northern Ireland Committee on Telecommunications Telecommunications Seminar – Belfast

April Communications '90 – NEC Birmingham
August Annual Conference of the Telecommunications Industry Association – Manchester
October Comex '90 (mobile telecommunications) – Telford
November Annual Conference of the Telecommunications Managers Association – Brighton

Consumer events

April Consumer Congress – Liverpool
July The Royal Show – Kenilworth
 The Royal Welsh Show – Builth Wells
October National Association of Citizens Advice Bureaux Annual Conference – York
November Annual Conference of the Institute of Consumer Advisors – Birmingham

The Advisory Committee on Telecommunications for Disabled and Elderly People (DIEL)

October Naidex – Alexandra Palace

The Advisory Committee on Telecommunications for Small Businesses (BACT)

November Confederation of British Industry Annual Conference – Glasgow

OFTEL's LIBRARY

5.19 The Library's main function is to provide an information service for OFTEL staff. However, it is also available to the public, by appointment, for reference purposes and for consultation of the public registers of approved apparatus, approved maintainers and licences. During 1990 a total of 887 private researchers visited the Library and

over 8,680 general and public register enquiries were answered.

5.20 The Library also acts as the sales point for priced publications and distributes a monthly publications list. Although many OFTEL publications are free of charge, a total of 3,942 priced publications were sold during the year accounting for £24,026 worth of sales.

5.21 During the year, the Library produced revised versions of its two publicity leaflets. Two new bibliographies – on the Duopoly Review and the single European market for telecommunications – were produced and all the existing bibliographies were reviewed for their continuing relevance and usefulness. As a means of promoting more efficient use of resources a new quarterly *Library Bulletin* advertising new stock and services was issued to OFTEL staff.



6

Technical Activities

6.1 As the complexity of modern services increases to exploit the already highly automated capabilities of telecommunications systems, demand for technical advice continues to escalate. During the year, the Technical Directorate has been called on by other Branches of OFTEL to work on a wide range of issues, many of which were of considerable regulatory and commercial significance. The Technical Branch has endeavoured to maintain coherence and integrity in its approach, avoiding short-term expediencies in favour of enduring solutions wherever possible. In this process some well-established positions have been questioned, and in some cases revised in the interests of greater flexibility and a shift of decision-making responsibility towards the customer. This process is expected to continue.

6.2 Of the many consumer representations that OFTEL receives in writing, about 4 per cent need technical examination and some of these are subject to detailed technical investigation. Since many of the complaints

arise from disputed accounts, the Technical Branch has contributed to the BABT work on a meter standard for public telecommunications systems, and influenced the performance level which is to be set for approval purposes (see also paragraphs 3.51 and 3.52). In spite of the increasing availability of itemised call records from modern switching systems, the majority of complaints relate to billing periods for which detailed call records are not available. In some cases, further testing of equipment and the connection of line event recorders, reveal errors or faults that can be rectified, with retrospective adjustment of earlier accounts where justified. However, with or without precise information, it is difficult to resolve some disputes, particularly where calls may have been made to premium rate information and Chatline services.

6.3 Following the Director General's decision to make the Network Code of Practice advisory (see paragraph 3.50) the draft code then current (the June 1989 version) required

amendment to reflect its new status. Since the 1989 version contained quite extreme values for the various transmission characteristics, on the assumption that these were to be mandatory limits, information in the new revised NCOP was expanded to show these extreme values in a context of preferred values that subjective research by CCITT has shown will satisfy the majority of users. This approach provides useful guidance for network operators seeking to provide good quality service to their end users, while allowing freedom for trade-off between quality and practical or commercial constraints for those choosing to accept lower quality on some call paths through their private networks.

6.4 When those planning private networks began to apply the new Network Code of Practice, it became clear that some of the restrictions that had applied to the routing of public network calls through private networks were included in the standards for call routing apparatus and associated approvals documentation. Following consultation with those having an interest, OFTEL initiated changes to the current approval standard OTR 001, and the draft BSI version BS 6450: Part 4 (see also paragraphs 3.47 to 3.49). The main objective has been to replace mandatory requirements relating to transmission performance on call paths extended via private network ports, with mandatory provision by apparatus suppliers of information so that those planning private networks are in a position to do calculations and predict the performance of those call paths. It is intended that the information to be provided by the supplier will be presented in a standard form so that it may be complete and easily compared with similar information from other suppliers.

6.5 In addition to the work on representations, mentioned in paragraph 6.2, staff of the Technical Branch also provided assistance with enquiries. While many of these can be answered by experienced members of other Branches, novel and more complex problems need more expert technical con-

sideration. Such enquiries are logged and analysed with two main objectives. Firstly to establish a precedent so that similar enquiries can be handled consistently and without individual attention by the technical experts. Secondly, and perhaps of greater importance, the analyses expose generic problems that can be resolved by appropriate changes to standards and regulations, and by the preparation of codes of practice or guidelines that help to inform others in the telecommunications industry. It is hoped that this form of reaction will help to resolve current problems, and allow more time for proactive work on new technical matters to minimise the risk of similar problems in the future.

6.6 A significant number of the enquiries related to wiring on customers premises and the Technical Branch has given this subject a great deal of attention during the year. The principal objective has been to remove any unnecessary restrictions on the amount of wiring that may be used between the public Network Termination Point and items of customers' apparatus. As a result of studies carried out independently and by the public operators, some relaxation of earlier limitations appeared to be possible. By the end of the year, work was progressing on these issues and on the publication of Parts 1 and 2 a new *Wiring Code* to reflect these changes. Further subjects were being studied including digital delivery, the sharing of cables for multiple analogue, digital or mixed telephony services and the possibility of sharing with local area networks, etc. It is intended the results will be included in further parts of the *Wiring Code* when the consequences have been evaluated.

6.7 With increasing use of digital techniques in telephone systems and apparatus, the differences between voice services and data services are beginning to disappear. In these circumstances, arbitrary constraints on the use of systems, apparatus or wiring for voice or data services become inappropriate. The Technical Branch has been seeking removal of restrictions wherever they are no longer

necessary. Examples include the naming of ports in Call Routing Apparatus and the use of digital private circuits for voice as well as data services. In time it is expected that suppliers will redefine data interfaces to allow voice services to be carried where performance would be satisfactory.

6.8 Many readers will appreciate that there is a very close relationship between the numbers used for telephone services and the technical means by which public systems recognise those numbers and cause calls to be routed and correctly delivered. Local shortages of numbers can be overcome by local changes, such as that in London where the code (0)1 was replaced with (0)71 and (0)81, but the fundamental national shortage of usable numbers will require a more radical change. Having considerable experience of the technical characteristics of modern networks and switching systems, the Technical Branch has been studying proposals from public operators, various reports and the results of commissioned studies, with a view to formulating a coherent strategy for the evolution of the UK numbering plan.

6.9 Under the Broadcasting Act 1990, broadcasting apparatus connected to telecommunications systems has become subject to the Telecommunications Act 1984, with effect from 1 January 1991 (see paragraphs 3.10 and 3.41). By way of preparation, the Technical Branch has been advising on standards and approvals matters so that broadcasting services could continue without interruption. Apart from covering safety, the prime technical objective is to ensure that satisfactory levels of quality are maintained as

responsibility for end-to-end performance is to be shared under several different licences.

6.10 Within its limited resources, the Technical Branch participated in various national and international seminars and standards committees. As well as enabling staff to keep up to date with technical developments, opportunities arose for OFTEL to exert influence consistent with the deregulation and competition policies of the UK. Matters of particular interest in 1990 included the work of the ETSI Business Telecommunications Committee on Call Routing Apparatus and private network performance, the ETSI Network Aspects Committee on intelligent networks and personal numbering and the ETSI Terminal Equipment Committee which is developing standards for terminal apparatus.

6.11 Towards the latter part of the year, work on the Duopoly Review stimulated many technical enquiries from within and outside OFTEL. Some of the scenarios under consideration have introduced new concepts and given rise to novel technical situations which will no doubt be explored in more detail in the coming year. With progressive fragmentation of telecommunications systems and services between an increasing number of competing operators, an important role for OFTEL generally, and the Technical Branch in particular, will be to monitor the integrity of the network as a whole. Recognition of relevant technical standards within and between private and public systems should go a long way towards ensuring fair apportionment of quality of service characteristics without imposing unreasonable constraints on innovative developments.



OFTEL's Resources

7.1 OFTEL's funding is provided by Parliament and is subject to cash limits and running costs control, but the cost is recouped from licence fees which, in the case of the larger PTOs are, or will be, broadly related to the size of the turnover of the licensed business. Where possible the figures given in this part of the Report have been extrapolated to cover OFTEL's activities for the calendar year of 1990 although, for accounting purposes, OFTEL uses the April to March financial year.

STAFF

7.2 For the financial year ending 31 March 1991 the Director General had a ceiling of 137 posts. The corresponding figure for the previous year was 131 posts. Taking 1990 as a whole, OFTEL employed, on average, a total of 134 permanent staff. Additional casual staff were employed during the year particularly to help with peaks in the work load of

the consumer representations section and to assist with statistical surveys.

7.3 The permanent staff were divided as follows:

Senior staff (Grade 7 and above)	23
Other executive staff	40
Clerical and support staff	71
	<hr/>
	134

7.4 Included in these figures are the following staff who act specifically as professional advisers:

Lawyers	2
Technical experts	8
Accountants	1
Economists	2
Statisticians	1
Information officers	3
Librarians	2
Internal auditors	2

7.5 The internal auditors are shared with the Office of Fair Trading (OFT), the Office of Gas Supply (OFGAS) the Office of Water Services (OFWAT) and the Office of Electricity Regulation (OFFER).

REORGANISATION IN OFTEL

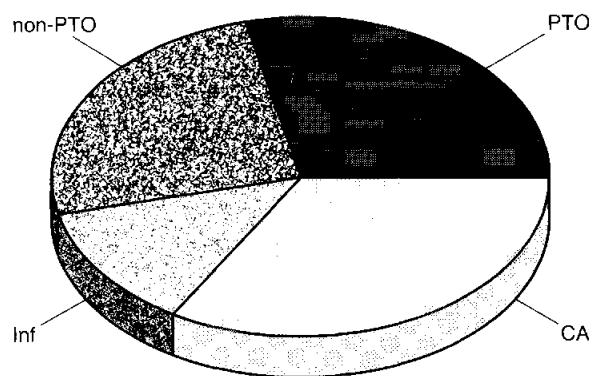
7.6 Major regulatory developments in recent times have resulted in significant changes to the workload in several areas within OFTEL. These changes included BABT becoming an approval authority (see paragraph 3.32), additional work arising from OFTEL regulating the IBA and BBC transmission businesses (see paragraph 3.10) and a reduction in regulation for several aspects of private circuits. As a result, there was a significant reorganisation towards the end of the year which affected Branches 1, 2 and 3. Broadly, the responsibilities of Branch 1 are now grouped around the theme of competition policy and those of Branch 2 around consumer and international affairs.

7.7 Branch 1 remains responsible for competition issues and PTO licensing. All mobile licences, cable and satellite issues and the regulation of the IBA and BBC transmission businesses come under this Branch. Branch 2, now known as Consumer and International Affairs Branch, retains its responsibility for non-PTO licensing, approvals and standards but has taken on all consumer-related topics, including the section dealing with consumer representations. In addition, Branch 2 has a section co-ordinating OFTEL's interests in international affairs. Branch 3 remains unchanged except for the transfer of the consumer representations section to Branch 2.

BUDGET

7.8 The Director General had a cash limit of £6.9 million for the financial year ending March 1991 and a corresponding figure of

£4.6 million for the previous financial year. Salary costs accounted for 35 per cent of the total spend. In addition, during the year specialist consultants were taken on in order to undertake particular research projects providing expert support to the Director General, the Technical Directorate, the Consumer Affairs Branch and the IT (Computer) Unit. In June 1990, OFTEL relocated to Export House on the expiry of the lease on Atlantic House. The costs of relocation accounted for 23 per cent of the spend.



The division of OFTEL's budget (see paragraph 7.9 for key)

7.9 The diagram shows how OFTEL's budget was divided in 1990 between the four main areas, for accounting purposes, within OFTEL:

- Work related to PTO licences and competition (PTO)
- Work related to non-PTO licences, apparatus and contractor approvals, and standards (non-PTO)
- Work related to consumer affairs and codes of practice (CA)
- Information and publicity (Inf)

7.10 The budget for the work of the six advisory committees and the TACs is included in the consumer affairs sector of the diagram. Salaries, overheads, common services and administrative costs have been allocated as appropriate.



8

Reports of the Advisory Committees on Telecommunications

8.1 Under section 54(1) of the Act the Secretary of State was required to establish advisory bodies for telecommunications matters affecting England, Scotland, Wales and Northern Ireland respectively (the ACTs).

8.2 The Director General was also required under section 54(4) of the Act to establish advisory bodies for telecommunications matters affecting small businesses, and for telecommunications matters affecting persons who are disabled or of pensionable age. These two committees are known as BACT and DIEL respectively.

8.3 The following Reports from the six ACTs have been made to the Director General as stipulated in section 54(7) of the Act.



Report of the English Advisory Committee on Telecommunications for the year ending 31 December 1990

8.4 The English Advisory Committee on Telecommunications met rather more frequently in 1990 than in earlier years, in response to a growing number of matters of public concern. At several of these meetings either the Director General of OFTEL or the Deputy Director General was present.

INTERNATIONAL DEVELOPMENTS

8.5 Not surprisingly, telecommunications are rapidly coming to affect the lives of all sectors of the population and to play a determinant role in the structure and conduct of business. In the United Kingdom both BT and MCL have explicit global ambitions. As a result it is becoming necessary to consider issues affecting the industry against an international background and, for this reason, policy within the European Community has become a vital concern for the whole telecommunications industry in the United Kingdom.

8.6 The deliberations of the Committee had therefore to take full account of these additional dimensions: as in 1989, one meeting was largely devoted to an examination of EC proposals, on the basis of a helpful appraisal from the responsible division of

the Department of Trade and Industry. The Committee found itself in broad agreement with the policy stance of the UK as far as liberalisation in Europe was concerned.

PRICE CHANGES

8.7 During the latter part of the year BT announced a package of changes to its prices and tariffs. The Committee understood the claim that BT needed to rebalance its prices more accurately to reflect the costs of providing services to particular classes of customers, and took the view that it would be wrong for residential customers in general to be permanently subsidised by business users. However the changes announced by BT, whilst adhering to the regulatory pricing formula, bore more severely on private customers than seemed defensible. The particular changes seemed more to reflect the challenge BT was facing in the business market, mainly from MCL, rather than the need for rebalancing. The main increase in call charges was in the off-peak period, which was when residential users made most calls. This, taken together with an increase in the quarterly standing charge, meant that the main impact fell on the private customer.

8.8 Moreover, those who used the telephone very little, and thus qualified for the

low user rebate, were likely to find themselves proportionately worse off because of substantial rises in the off-peak charges. The Director General indicated that he was satisfied that BT was not abusing its dominant position, but the Committee remained concerned about the borderline between rebalancing and unfair discrimination.

NETWORK CODE OF PRACTICE

8.9 In a response to the Director General's consultative document on the application of design criteria to private telecommunications branch networks, the Committee concluded that it would be preferable for the Network Code of Practice to be advisory. Whilst it would be in the users' own interests to provide a satisfactory telephone service, there was concern about the potential adverse effect on the quality of calls over the public switched network. The Committee recommended that OFTEL should monitor the situation and review the advisory status in the light of experience. The Director General subsequently announced that the NCOP would be advisory, but that he would keep this under review and consider introducing controls if this became necessary.

PREMIUM RATE TELEPHONE SERVICES

8.10 The Committee remained concerned about the continuing problems resulting from the exploitation of premium rate telephone information and entertainment services. By the Autumn it had become clear to the Committee that the current Code of Practice for these services should be strengthened; there was a need for significant improvements in the protection available to subscribers against unauthorised use of their telephones to contact the services. The Committee therefore welcomed BT's decision to introduce at the exchange a free call-barring facility for all such premium rate

numbers for any customer connected to a digital exchange. It was a matter of regret that customers who had still to be connected to a digital exchange would have to wait for this facility.

TELECOMMUNICATIONS ADVISORY COMMITTEES (TACs)

8.11 During the year a number of issues were drawn to the Committee's attention by the local TACs. Among these were the reduction in the number of cheap rate concessionary days announced by BT and particularly the lack of public notice given, the withdrawal of the standing order facility for BT's budget accounts, and the charges for use of private payphones and telephones in hotels.

8.12 With regard to the reduction in the cheap rate concessionary days, the Committee was concerned at the lack of public knowledge and considered that BT really ought to ensure that its customers were adequately informed. From subsequent discussions with BT it became clear that the company recognised that it did not handle the decision well and that, should a similar circumstance occur in the future, more information should be made available to its customers.

8.13 With regard to the withdrawal of the standing order facility, whilst the matter could perhaps have been handled more sympathetically, the Committee accepted that BT does offer a number of different payment methods and, however much individual customers might regret it, it was not unreasonable for BT to reach the decision it did.

8.14 As far as the charges from private payphones and telephones in hotels were concerned, the Committee came to the view that since these facilities were being provided privately, it was for the potential user to decide whether he was prepared to pay

the charges; any attempt to control charges would be likely to lead to fewer facilities being offered, and this would not seem to be in the interests of the public at large. There should, however, be a clear indication of the charges which are levied and, indeed, in the case of private payphones it is a condition of their approvals that a notice be displayed providing this information.

8.15 In its Report for 1989 the Committee expressed its concern about inadequate funding for the TACs from the Department of Trade and Industry and, in particular, about the absence of honoraria for voluntary Secretaries. During 1990 advice was submitted to the Director General regarding ways in which this problem might be alleviated. It seemed unlikely that any significant improvement would be possible without changes in legislation. Despite these financial problems it was possible during the year to hold regional meetings which all the appropriate TAC Chairmen and Secretaries had the opportunity to attend. The Committee would like to take this opportunity to express its appreciation of the TACs' valuable continuing work during the year.

CUSTOMER RELATIONS

8.16 The number of complaints received by TACs and OFTEL continued to grow and many of them disturbed the Committee. Some raised questions of policy, such as disconnections; others showed evidence of insensitive handling at local level. With regard to disconnection, there was no doubt that calls to premium rate services had caused many bills to be much higher than the customer had expected, and this aggravated the disconnection problem. The Committee felt that disconnection – which can be as inconvenient to callers as to the called – had often been carried out without sufficient effort to find an alternative solution. This whole difficult area was discussed with OFTEL's Consumer Policy Adviser, and further studies are being carried out.

8.17 Similarly the Committee was aware of many complaints about the frequency and level of deposit demands being made to new customers by the public telecommunications operators. There are many aspects to this problem and the Committee continues to keep it under review.

8.18 To the extent that customer complaints indicated staff insensitivity or mishandling, the Committee made customer relations a central feature of discussions with both BT and MCL. Meetings were held with senior management of both companies during the year and, in the case of BT, a new complaint handling system is being introduced which should lead to a significant improvement in customer relations. The Committee was satisfied that both companies were giving suitable priority to improvement in this aspect of their services, but clearly further monitoring is indicated.

COMPETITION AND CHOICE

8.19 Towards the end of the year the Department of Trade and Industry published its consultative document about telecommunications policy for the 1990s. In preparation for this review, the Committee held very informative meetings with BT, MCL and Kingston Communications (Hull).

8.20 The full response to the consultative document was submitted after the end of the year but, in summary, the Committee supported the main proposal in the document to the effect that the existing duopoly policy should be ended – new licences should be considered for local, trunk and international networks. The broad thrust of the Government's other proposals was similarly approved, particularly those giving greater freedom to mobile and cable operators. Capping of international call charges as an interim measure, permitting resale in appropriate circumstances and liberalisation of private networks, should all contribute to the development of the telecommunications market.

8.21 On more detailed matters, the Committee recommended that the current universal service obligation on BT to provide voice telephony wherever there is demand should be reviewed in order to determine whether it should be extended beyond voice telephony. The ability to transmit data effectively and conveniently is now a key aspect of many business activities: the lack of suitable facilities in some parts of the country, particularly in rural areas, is an inhibiting factor.

8.22 The Committee was further concerned that in a more fully competitive environment the provision of some vital services and apparatus, for which there was an important but relatively small demand, might be in doubt. Although the licences of the public operators make provision for access charges which could be used to help to meet 'social' obligations, the Committee did not feel satisfied that this would alone be sufficient. It therefore advised the Director General that, if there was to be any change in current practice, he should consider (no doubt in consultation with all parties concerned) what steps should be taken to safeguard requirements which were not economically viable.

OTHER COMMITTEES

8.23 The Committee was represented on the

Telecommunications Numbering and Addressing Board throughout the year by Mr D Oram, and the Chairman represented all the national Advisory Committees on the National Industries Consumer Councils' Chairmans' Group.

MEMBERSHIP OF ENACT

8.24 A list of those who served on the Committee during the year follows this Report. Mr J Maynard, who had joined the Committee in 1987, accepted an appointment which made it impossible for him to continue as a member and so resigned towards the end of the year. His contribution to the Committee's work was very considerable and will be greatly missed. A little earlier Professor M Chisholm was appointed to the Committee by the Secretary of State: Mr Chisholm is Professor of Geography at Cambridge and, amongst many other interests, was, until recently, a long-standing member of the Rural Development Commission.

8.25 All the members of the Committee are particularly grateful to the small secretariat within OFTEL without whose support the functions of ENACT would be impossible to carry out.

CHAIRMAN AND MEMBERS OF THE COMMITTEE

Chairman

Mr H R Hutton

Director General, British Merchant Banking and Securities Houses Association; Director, Northern Rock Building Society; Director, Investment Management Regulatory Organisation Ltd



Members

Professor M D I Chisholm

Professor of Geography, University of Cambridge; Professorial Fellow, St Catharine's College, Cambridge; former Member, Rural Development Commission; former Member, Social Science Research Council; former Member, Local Government Boundaries Commission for England

Mr S J Cooper

Retired Company Director; Chairman, Gas Consumers' Council

Cllr Mrs J H Fergus MBE

Durham County Councillor; Field Resources Manager, Social and Community Planning Research

Cllr J D Green

Winchester City Councillor; President, Winchester Children's Holiday Trust; Chairman, Council of Community Service Rural Committee, Hampshire; Chairman, Harvest Technology Ltd, Hale, Cheshire; Chairman, Southampton TAC; Chairman, South West Region TACs

Mr J Maynard

Former Managing Director, MTEL UK Ltd; Member, Parliamentary Information Technology Committee

(Resigned from membership, December 1990)

Mr D O Michel OBE

Member, Derngate Housing Society Ltd; former Managing Director and Chairman, G L Michel & Sons Ltd; former Chairman, Midland Region TACs; former President, Northamptonshire Chamber of Commerce and Industry

Mr D R Oram

Group Purchasing Manager, Metropole Hotels (Holdings) Ltd; Fellow, Hotel Catering and Institutional Management Association; Member, Institute of Purchasing and Supply; Member, Telecommunications Numbering and Addressing Board

Mr A C Squires

Assistant Controller, Information Technology, Rank Organisation plc; Director, Telecommunications Managers Association Ltd

Mrs M C Taylor

Vice-President, and former Chairman, National Federation of Consumer Groups; Member, Management Committee, Southend Citizens' Advice Bureau; former Chairman, Eastern Region TACs



Report of the Scottish Advisory Committee on Telecommunications for the year ending 31 December 1990

INTRODUCTION

8.26 In our Report for 1989, we mentioned that we had become conscious of the need to widen the Committee's present level of technical expertise and to achieve a greater geographical spread of representation by individual members to include such areas as Greater Glasgow, Edinburgh, Dundee and Fife. We therefore welcomed the appointment in February 1990 of five new members to the Committee which provided coverage for the aforementioned areas and included representation from the North of Scotland to fill the gap left by Dr Colin Maclean who died in February 1989. Unfortunately, the member appointed to represent the Edinburgh area (Mr Derek Hencher) decided that he was not able to continue to serve on the Committee and a suitable replacement is being sought.

8.27 The other main change in membership which occurred during the year was the retirement on 30 September of Mr Bill Brown from Aberdeen, who, as our longest-serving member, will be sadly missed. Bill was also a member of the Post Office Users' Council for Scotland, to which he was appointed in 1973, and his contribution over the years to the work of both bodies was most significant in all respects. It is hoped that a replacement for him will be appointed early in 1991.

8.28 Finally, we are pleased to welcome the reappointment of Mrs McGowran and Mr Watson to the Committee for a further term. We are also pleased to extend our congratulations to Mrs McGowran on her award of the MBE in the New Year's Honour's List (1991).

WORK OF THE COMMITTEE

8.29 The Committee held five meetings during the year – in March, June, September, November and December. Meetings were held in Edinburgh (four) and Glasgow (one) where the Committee's March meeting was kindly hosted by the Scottish Development Agency at its offices in Bothwell Street. At our meetings we welcomed the following guests:

- in March, Mr I Williams and Mr P Fitzgerald, Financial and Business Services Division, SDA;
- in June, Sir Bryan Carsberg, Director General of Telecommunications and Mr Fod Barnes, OFTEL's Consumer Policy Adviser;
- in September, Miss P Givans, Consumer Affairs Division, DTI London; Mr J Carrington and Miss R Wheeldon, Mercury Personal Communications Network Ltd,

- London; and Mr R Ure and Mr J Stewart, Mercury Communications Ltd (Scotland);
- in November, Mr G Knight, Director of PTO Licensing, OFTEL; Mr P Culham, Economics Adviser, OFTEL; and Mr D Willmets, OFTEL Secretariat;
 - in December, Mr N Brice, Consumer Affairs, OFTEL; Mr C Pratt, District Marketing Manager, BT North of Scotland District; Mr A Hardie, Deputy District General Manager, BT West of Scotland District; and Mr T Spence, Support Manager, BT East of Scotland District.

8.30 Among the main items considered during the year, some of which are expanded upon later in this Report, were the following:

- BT charging for its Directory Enquiry service
- Future of the telecommunications infrastructure in Scotland
- Itemised billing; 'opt-in' arrangement
- BT reorganisation
- Public awareness of the Committee's role
- The Duopoly Review

8.31 In addition, the Committee was consulted in regard to the following OFTEL discussion papers:

- PTO Meter Approval Scheme
- BT and Itemised Billing: Problems of Confidentiality
- London Dialling Code Changes
- Increased Charges for Mercury Directly-Connected Customers
- BT's Complaint Handling Procedures
- BT's Deposit Guidelines
- BT's Price Changes in September 1990
- Review of '999' Emergency Call Arrangements
- Directory Enquiry Charges.

8.32 Finally, in March the Chairman and the Secretary attended a special telecommunications conference in Belfast which was hosted by our colleagues on the Northern

Ireland Committee. The main theme of the conference was *Telecommunications in the Nineties* (see paragraphs 8.121 to 8.125). It was interesting to observe how telecommunications are being developed in Northern Ireland, which has benefitted from EC funding under the STAR Programme, compared with progress to date in Scotland where, apart from the initiative co-funded by the HIDB (with BT) to modernise the telecommunications network in the Highlands and Islands, no special funds for telecommunications development have been made available.

The Duopoly Review and Associated Matters

8.33 We commented at length in last year's Report on the implications for Scottish telecommunications of the lack of competition in the market and the less favourable economics of telecommunications in rural areas. We have continued to address these problems during 1990 and have made our concerns known to OFTEL, in particular to the Director General, Sir Bryan Carsberg, who attended our meeting in June.

8.34 Subsequently, in November, we circulated an information paper (copies of which may be obtained, free of charge, from the Secretary) to a number of interested parties in Scotland, including Government Ministers, MPs and local authorities. The paper set out our views on the problems associated with telecommunications liberalisation and which coincided with the release for public consultation of the Government's paper containing proposals for ending the present fixed network duopoly of BT and MCL. The information paper which we circulated was not a formal response to the Government's consultative document, but rather set out to focus attention on the potential problems for action, in anticipation of a definitive Government plan which would go at least some way towards addressing the concerns which we had already identified.

8.35 Later in November we held a special meeting of the Committee in order to receive a presentation from OFTEL on the Government's proposals in relation to the Duopoly Review, and members of our Committee found this presentation most helpful in identifying the areas within the consultative document considered to be of greatest importance to Scottish interests.

8.36 Although at the time of writing this year's Report we had yet to submit our formal response to the Government's consultation paper, it was quite clear that the Government's proposals for ending the present duopoly and allowing increased competition in the field of telecommunications did not, in our view, address the main problems facing telecommunications development in Scotland. For example, it was not difficult to accept the basic premise advocated by Government that the best way forward in telecommunications development lies in introducing competition within a regulatory framework, but it is fairly evident from the consultative document that the approach favoured by the present Government for achieving this aim is markedly different from that adopted by the majority of other EC Member Countries (expressed in the EC Council Regulation No 3300/86). As a result, those parts of Scotland which are already lagging behind in terms of availability of telecommunications services could be further disadvantaged if the Government's Duopoly Review proposals are implemented without modification.

8.37 It is the Committee's view at this time that it is essential for the future of telecommunications in Scotland that the Government ensures full integration of rural areas in particular into an advanced telecommunications network, as recommended by the European Community, if customers are to be given the widest possible choice of services. Failure to ensure such integration could increasingly hamper efforts to attract inward investment.

8.38 We further believe that, so far as relaxing the present restrictions on compe-

tion in the telecommunications market are concerned, if the Government allows new entrants to the market to adopt a 'cherry-picking' approach with no commitment to universal provision of service, it is reasonable to predict that about 25 per cent of the Scottish population will be denied access to advanced telecommunications of any kind in a future roll-out of technology.

8.39 These are just some of the concerns which we shall be hoping to address when our formal response to the Government's consultation paper on the duopoly is submitted in January 1991. Further developments will be covered in next year's Report.

Charges for BT's Directory Enquiry Service

8.40 In our last Report, we referred to the proposed introduction in January this year of Directory Enquiry charges by MCL. At that time it was not known whether BT intended to follow suit but, in any event, it was thought that no decision to introduce charges on its Directory Enquiry service would be taken by BT until after the implementation of the London dialling code changes in May.

8.41 Most readers will now be aware that BT subsequently announced in October its plan to introduce Directory Enquiry charges from 2 April 1991. As a trade-off, the company has agreed with OFTEL that the cost of UK telephone calls will be cut by 6 per cent overall from the same date. In other words, therefore, the new charge of 43.5p (incl VAT at 15 per cent) per Directory Enquiry call should not lead to any increase in BT's revenues.

8.42 The effect on customers in Scotland will, of course, vary from one individual to another; for example, residential customers who rarely telephone Directory Enquiries will be better off, whereas certain kinds of businesses that use the service very heavily may be considerably worse off. However, on balance, we support the view that those

customers who use the service should be expected to pay for it and the cost should not be shared, as it is at present, by all customers, many of whom rarely need to use the service at all.

8.43 The service will continue to be provided free to blind and certain other disabled customers, and will also be free from public call boxes.

Itemised Billing – ‘Opt-in’ Arrangements

8.44 Earlier in the year we were concerned to learn that, across the UK as a whole, there had been a very low (ca 25–30 per cent) customer response to BT’s offer to provide an itemised billing facility where this can be made available from the customer’s telephone exchange. We were aware that BT was offering the facility on an ‘opt-in’ basis (ie the facility was not being provided automatically, but only at the customer’s request), and the disappointing take-up of BT’s itemised billing offer led us to wonder whether it might be preferable for customers to have the facility on an ‘opt-out’ basis (ie itemised billing to be provided unless the customer requests otherwise).

8.45 In discussion with OFTEL, however, it emerged that 90 per cent of customers surveyed on the merits of introducing itemised billing had confirmed that, given the choice, an ‘opt-in’ arrangement to receive itemised billing would be preferred.

8.46 Whilst OFTEL had to admit that it was therefore surprising that so few customers had taken advantage of this arrangement, they nevertheless remained convinced that, our own views notwithstanding, there were strong moral grounds – confidentiality within the family unit being a prime example – for leaving the present ‘opt-in’ arrangement in place. On balance we support the OFTEL position since, in any event, the absence of itemised billing at customer level does not preclude subsequent enquiries by customers about calls dialled or

charges incurred, as BT maintains its own itemised call records which can be accessed on request. However, in order to try to improve customer awareness of the availability in Scotland of itemised billing where such a facility exists, we have asked BT to provide a footnote on the telephone bills drawing attention to this fact, which hopefully will serve as a continuous reminder to customers that the facility is available from growing numbers of modern exchanges, on request.

Publication of Leaflet on Committee’s Role and Functions

8.47 We reported last year on our intention to produce an explanatory leaflet on the Committee and its work, in order to promote awareness among customers of our function and of the ways in which we try to assist customers of the public telecommunications fixed and mobile networks in Scotland in the event of difficulty. This was realised in May, when 5,000 copies of our new leaflet were printed and distributed to all Citizens’ Advice Bureaux and other community outlets in Scotland, as well as to Scottish local authorities, public libraries and BT District Headquarter offices. Readers who have not been able to obtain a copy of our leaflet should contact the Committee Secretary, whose address is 43 Jeffrey Street, Edinburgh EH1 1DN.

LIAISON WITH THE SCOTTISH DEVELOPMENT AGENCY

8.48 During the year we have continued to develop our links with the Agency and the Chairman, Secretary and some of our Committee members have met informally with Agency staff on several occasions to discuss matters of mutual interest. In addition, the Agency was kind enough to host the March meeting of our Committee at its office in Glasgow and, on this occasion, members received a presentation on the Agency’s involvement in the field of telecommunications development in Scotland, with

particular reference to its role in identifying the importance of telecommunications for promoting growth in business and attracting inward investment. One initiative of particular significance which has been supported by the Agency, is the proposed development of a special telecommunications 'super site', or Teleport, in Edinburgh which will offer the business community in the East of Scotland special telecommunications facilities not otherwise available. The Edinburgh Teleport will be the first of its kind in the UK and we wish the venture every success.

8.49 More recently, we have taken a particular interest in a study commissioned by the Agency which examines telecommunications regulation in Scotland and ways of maximising the benefits of competition should the Government's plans to end the present fixed network duopoly of BT and MCL take place. We have found that many of the concerns which we ourselves have already identified in relation to telecommunications development in Scotland are shared by the Agency (see our earlier comments on the Duopoly Review).

MERCURY COMMUNICATIONS LTD (MCL)

8.50 At our September meeting we welcomed Mr John Carrington, Managing Director of Mercury Personal Communications (UK) and Miss R Wheeldon, a member of his team in London. Also present from MCL (Scotland) were Mr Robert Ure, General Manager, and Mr James Stewart, Regional Operational Manager. We learned that, since becoming established in Scotland in 1987, MCL could now demonstrate the following achievements:

- 48 of the top 50 companies had Mercury service;
- 6,000 'direct service' lines had been installed;
- 'indirect service' (ie linked to MCL via BT lines)
- service was available to 60 per cent of all Scottish telephone users.

8.51 MCL hope to be able to build on this success during the foreseeable future and develop the MCL network beyond the existing Glasgow-Edinburgh-Aberdeen triangle. Much will, of course, depend on the outcome of the Duopoly Review, but we are aware that MCL are keen to develop the personal communications network (PCN) market in Scotland where they hope to provide PCN service in the Central Lowlands belt by early 1992. We wish them every success in this venture and will monitor developments with interest.

8.52 The Chairman and Secretary of our Committee met informally with MCL (Scotland) staff at other times during the year for discussions on a range of topics of mutual interest.

REORGANISATION OF BRITISH TELECOM

8.53 Earlier in the year BT announced a major reorganisation of the company, to be fully implemented by April 1991, which it is hoped will result in a leaner, more efficient company whose primary aim is to improve further the service it gives to its customers. We were given a presentation at the December meeting on the future structure and organisation of BT, with particular reference to operations in Scotland.

8.54 At present BT in the UK is comprised of Districts, each controlled by a District General Manager. Scotland contains three districts – North (centred on Aberdeen), West (Glasgow) and East (Edinburgh) – and each District has its own billing function for residential and business customers within the District, separate customer care units and fault repair centres, and so on. Under the reorganisation plan BT Districts will cease to exist and Scotland will become one of a number of UK 'Regions', each of which will be split into two main areas of responsibility – *personal communications*, dealing with all aspects of service to residential customers

in the region, and *business communications*, to handle business customer requirements.

8.55 At the time this Report was being prepared, the administrative centre of operations for BT in Scotland was still undecided, although Glasgow and Edinburgh are fairly obvious choices. Whichever location is chosen, we are assured by BT that the ordinary customer in Scotland – whether he be residential or business, and regardless of his own geographical location – will notice little, if any, difference in his day-to-day dealings with BT following reorganisation and, indeed, should even see an improvement in future in the way in which BT responds to his enquiries and requests for advice or assistance. For our part, we shall be following the company's reorganisation with interest and will comment on the effectiveness of the new arrangements in Scotland in our next Report.

OTHER MATTERS

Abolition of BT's Line Takeover Charge/Reduction in Minimum Rental Period

8.56 We welcomed the announcement by BT that, with effect from 3 December 1990, the connection charges for customers who take over an existing telephone line, without a break in service of more than one day, would be abolished. Also, the minimum rental period for lines and most telephones taken over by one customer from another has been reduced from one year to just three months. For new lines and all other types of rented apparatus the minimum rental period remains 12 months.

8.57 These changes in BT's charging and rental policy will give customers a better deal by setting a fairer balance between customer needs and the costs involved in providing service. We expect that they will also bring about a reduction in the number of complaints coming to this Committee in

relation to two aspects of BT service which many customers have in the past considered to be extremely unfair.

Payphone Service

8.58 The improvement in payphone service referred to in earlier Reports appears to have been maintained and we are pleased to note BT's continuing commitment to ensuring growth and reliability in this area. The number of BT operated public call boxes in Scotland now stands at 8,037 (at 31 December 1990).

8.59 MCL are also continuing to expand in the public payphone market since introducing their payphones to Scotland last year. MCL kiosks are mainly to be found in Edinburgh, Glasgow, Aberdeen and on major traffic routes (eg petrol stations) and total installations now run to several hundred.

Telecommunications Advisory Committees (TACs)

8.60 We maintained close links with the Scottish TACs throughout the year, through exchanges of minutes and by attendance of the Chairman and the Secretary of the Committee at selected meetings across the country. TACs, of which currently there are 13 in Scotland, provide information on standards of service in their own areas and enjoy a close liaison with BT staff in whose area the TAC operates and who attend meetings of TACs on a regular basis.

8.61 So far as the TAC network in Scotland is concerned, Shetland and Orkney are now the only areas where there is no TAC through which the consumer voice can be heard. Having said that, we have established that there are BT Customer Panels operating both in Shetland and Orkney which perform approximately the same function as a TAC, albeit under the auspices of BT rather than SACOT and, as far as we are aware, these Panels appear to meet local customer requirements fully.

Christmas/New Year Service: Cheap Rate Calls

8.62 In respect of BT service, concessions during the 1990 Festive Season were the same as for the previous year, ie cheap rate local, national and Irish Republic calls were available from 6.00pm on Monday 24 December until 8.00am on Thursday 27 December, and from 6.00pm on Monday 31 December until 8.00am on Wednesday 2 January (1991). MCL customers were also able to take advantage of cheap rate concessionary days during the Festive Season. In Scotland the cheap rate extended from the evening of 21 December 1990 until the morning of 3 January 1991, inclusive of normal economy rate periods.

COMPLAINTS AND OTHER REPRESENTATIONS

8.63 Whilst the total number of complaints received during the year is down slightly on the overall figure for 1989, we have experienced a 22 per cent increase in the number of written representations made to the Secretariat during 1990 and, as usual, most of these have been in relation to disputed telephone accounts. We continue to be concerned that a considerable proportion of the customers

who contact us with disputed account complaints do not achieve any degree of satisfaction, in that we are unable to establish beyond any doubt that those customers' complaints are justified and therefore no reduction in the charges shown in the disputed account can be secured.

8.64 To be fair to BT, in many cases involving disputed charges the customer will usually be given the benefit of the doubt. However, we cannot force BT to reduce or waive telephone charges which, in its view, have been legitimately incurred and it is often difficult for customers to be able to appreciate this fact. It must be realised that disputes of this nature are contractual in essence, and this Committee has no statutory power to persuade BT to take a particular stance in such matters which, at the end of the day, may be resolved only through independent arbitration or civil court action.

8.65 A summary of representations about BT services during 1989 and 1990 is given in the table on the following page. Once again we would like to record our thanks to BT staff in Scotland, and to OFTEL in London, for the help we have received to enable us to deal with these representations as efficiently as possible.

Nature of complaint	1989	1990
Disputed accounts	705	938
Provision of service	244	156
Charges/rentals and billing	355	224
Other standard services	129	56
Deposits	118	32
Operator/directory services	74	63
Payphones	38	38
International services	13	6
Phonebooks/Yellow Pages	84	20
Text transmission	28	14
Wiring	19	21
Tariff increases	28	33
Fault repair services	103	74
Value added services	14	16
Apparatus	50	58
Compensation Scheme	105	35
Miscellaneous	138	214
TOTAL	2,245	1,998

CHAIRMAN AND MEMBERS OF THE COMMITTEE

Chairman

Mr W K Begg OBE

Chairman, Begg, Cousland (Holdings) Ltd; Chairman and Managing Director of Begg, Cousland & Co Ltd



Members

Mr W. J Brown MBE TD JP

Member, Post Office Users' Council for Scotland; Member, Aberdeen Chamber of Commerce; Chairman, Aberdeen and District Post and Telecommunications Advisory Committees
Retired from membership, 30 September 1990

Mrs J M Dickson

Deputy Officer of a Residential Home for the Elderly, Perth

Mrs J Forbes-Sempill

Member, Post Office Users' Council for Scotland; Chairman, Newton Stewart Post and Telecommunications Advisory Committees

Mr D Hencher MIERE MIEE

Retired Chartered Engineer
Member, February-May 1990

Mr C J Jones BSc ARSM

Part-time Oil Exploration Consultant; Secretary, Kyle and Sutherland Heritage Society; Executive Committee Member, East Sutherland Council Service; Sub-Committee Member, Sutherland Local Health Council

Mr E Marwick MA

Secretary and Chief Executive, Glasgow Chamber of Commerce; Secretary, Glasgow Post and Telecommunications Advisory Committees

Mrs I E McGowran MBE

Member, Post Office Users' Council for Scotland; Member, Post Office Users' National Council; Chairman, Central Region Post and Telecommunications Advisory Committees; Director, Central Scotland Chamber of Commerce; Member, Falkirk Inner Wheel Club

Mr A J Paterson

Principal Administrator, Highland Regional Council; Member, Post Office Users' Council for Scotland; Chairman, Highland Post and Telecommunications Advisory Committees

Mr J Purvis CBE MA (Hons)

International Business Consultant and Farmer; Chairman, Economic Affairs Committee, Scottish Conservative Party; Former MEP, Mid-Scotland and Fife

Mr G J Richards BSc ARCS

Member, Post Office Users' Council for Scotland; Member Central Region Post and Telecommunications Advisory Committees

Mrs K Scott DA

Bureau Manager, Citizens Advice Bureau (Dundee); Member, Citizens Advice Scotland, Policy and Resources Committee

Mr J G Watson MBE JP MBIM

Business Counsellor; Member, Post Office Users' Council for Scotland; Chairman, Argyll and Bute Post and Telecommunications Advisory Committees; Scottish Panel Member, Gas Consumers' Council; Member, Justices Committee for Argyll and Bute; Treasurer, National Consumer Congress

Mr E Young MA

Former Rector, The Nicholson Institute, Stornoway; Member, Post Office Users' Council for Scotland; Chairman, Western Isles Post and Telecommunications Advisory Committees

Secretariat

Mr R L L King

Secretary

Miss A M Logan

Mrs J Glancy

Assistant Secretaries



Report of the Welsh Advisory Committee on Telecommunications for the year ending 31 December 1990

THE COMMITTEE

8.66 The Committee met five times during the year – in March at Cardiff when the meeting was addressed by Mr M Ashton, Chairman of the Advisory Committee on Telecommunications for Small Businesses (BACT); in June at Llandudno when the meeting was addressed by Mr D Hobman, Chairman of the Advisory Committee on Telecommunications for Disabled and Elderly People (DIEL); in September at Cardiff; in November at Cardiff, when the meeting was addressed by Mr W R B Wigglesworth, Deputy Director General of Telecommunications, Mr A R Bell, Senior Economic Adviser, OFTEL and Mr D Willmets, OFTEL; and in December at Llandudno. Mr Willmets also attended the meetings in March and June 1990.

8.67 The Annual Conference of the Committee with representatives from Telecommunications Advisory Committees (TACs) was held in Cardiff in September. The guest speakers were Dr T Howells, Assistant Head of Division, Rural Post and Telecommunications, European Commission; Mr F Barnes, Consumer Policy Adviser, OFTEL and Mr R Cozens, OFTEL.

8.68 Mrs P E Hughes and Mr J R Roberts retired from the Committee in May and we

wish to record our deep appreciation for the valuable work they have both done on behalf of consumers in Wales over many years. We are pleased to note that both will continue to work on behalf of consumers at a local level and we wish them every success in the future.

8.69 In October, the Secretary of State for Trade and Industry appointed two new members to the Committee – Mrs P Blackwell and Mr J Maynard – and they were warmly welcomed at their first meeting in November.

8.70 In August, the Chairman and Secretary met Mrs Jan Walsh, Manager Corporate Relations, BT and also in August the Chairman and Secretary met Mr Roy Cull, District General Manager, BT Wales and the Marches and his senior staff. Matters of mutual concern were discussed. During the year the Secretary and Assistant Secretary met other BT staff.

8.71 The Committee has maintained close contact with other National Advisory Committees during the year. The Chairman and/or Secretary have attended the following meetings:

- *January* Advisory Committee Secretaries and DTI, London (Secretary)

- *March* Telecommunications Conference, Belfast (Chairman and Secretary)
- *March* Advisory Committee Secretaries, Edinburgh (Secretary)
- *July* Telecommunications Forum, London (Chairman)
- *September* Advisory Committee Chairmen and Director General of Telecommunications, London (Chairman)
- *October* Scottish Advisory Committee on Telecommunications, Edinburgh (Secretary and Assistant Secretary)
- *October* Advisory Committee Secretaries, Belfast (Secretary)

8.72 The Committee has also maintained links with other consumer bodies and in February the Chairman hosted a meeting of Chairmen and Secretaries of Welsh consumer bodies. In April the Chairman attended the Consumer Congress in Liverpool.

DUOPOLY REVIEW

8.73 The most important topic discussed by the Committee in 1990 was the Government's consultative paper entitled *Competition and Choice: Telecommunications Policy for the 1990s*. In 1983 the Government licensed BT and Mercury Communications to run fixed telephone networks in the United Kingdom and stated that it did not intend to license any other competitors in this field for a period of seven years.

8.74 In the consultative document the Government made a number of proposals, including the proposition that this 'Duopoly' should end and that anyone wishing to apply for a licence to run a new telecommunications system should be allowed to do so unless there were specific reasons against this.

8.75 The Committee is grateful to the Deputy Director General of Telecommu-

nications for his advice at a special meeting held to discuss the contents of the Government's consultative document.

8.76 In general, the Government's proposals have the support of the Committee and, in particular, the principle that reasonable competition will lead to greater efficiency and, thereby, benefit the consumer.

8.77 The Committee has doubts, however, as to whether the proposals contained in the consultative document will, in Wales, have the results envisaged. Experience since the establishment of the current duopoly shows that telecommunications in most of Wales remain effectively a BT monopoly. The new competition, like the earlier competition, will benefit areas of high population densities and the Committee would wish to see the benefits of new competition flow into rural areas. This will require adequate investment and, obviously, some regulatory control.

BT REORGANISATION

8.78 During the year the Committee was advised of another re-organisation in BT which would take place on 1 April 1991. The 27 District structure would be replaced by a Personal Communications Division and a Business Communications Division.

8.79 The Personal Communications Division, which will look after the needs of the domestic user, will have nine main geographical centres. Wales will become part of the Wales and West Sector.

8.80 The Business Communications Division, which will look after business customers, will have five centres; Wales will become part of the Midlands, Wales and West Sector.

8.81 In both cases the Sector Headquarters will be located outside Wales. This has generated much opposition and no doubt will continue to do so. It is, however, claimed that this will not lead to greater

centralisation and the teams of people serving in local communities will be able to carry out their duties in a more effective way with fewer layers of management above them.

8.82 Much will depend on the Wales Advisory Forum, which will look after BT's relationships with various national organisations, as to whether the fears of those who oppose the reorganisation can be allayed.

8.83 We have taken early steps to establish relationships with the Forum and the Chairman of the Forum, Mr Michael Bett, has agreed to liaise with the Committee on matters of common interest.

CUSTOMER SERVICE GUARANTEE SCHEME

8.84 Under this Scheme BT undertakes to pay compensation if it fails to provide a service by the promised date or fails to repair faults within agreed time limits.

8.85 No special problems have arisen during the year but some customers continued to complain that the Scheme does not cover weekends (unless a customer has an enhanced service agreement) and makes no provision to compensate customers who experience such poor service that it can fairly be described as unacceptable.

8.86 Members now believe it is opportune for BT to consider extending the scope of the Scheme to include, in the first instance, Saturdays and, subsequently, Sundays. The Committee recognises the difficulties in quantifying 'unacceptable' service before compensation is paid, but believes a more liberal attitude could be taken.

8.87 It has not been possible to ascertain how much money has been paid to customers in Wales under the existing Scheme. The Committee notes that in the 12 months to 31 March 1990, over £2¼m was paid in compensation to customers in the UK but it

would have welcomed details for the area within its remit.

DIRECTORY ENQUIRY CHARGES

8.88 During the year BT announced its intention to charge for calls to the Directory Enquiry service and reduce call charges by an appropriate amount as from 2 April 1991. The Committee has discussed this topic on many occasions and, whilst recognising the burden this might place on small businesses, took the view that as the majority of customers would be better off, it could not reasonably object to the proposals. The Committee notes that some written objections to such charges have been received and some disquiet has been voiced by members of local Telecommunications Advisory Committees.

8.89 We are pleased to note that blind and other disabled people who are not able to use Phone Books will not be charged for such calls. They will, however, need to register their disability with BT and obtain a personal identification number in order to gain free access. We are also pleased to note that both BT and MCL will continue to offer customers free access from their public call boxes.

REPRESENTATIONS

8.90 The number of representations received about PTO services is given opposite.

8.91 There has been a drop in the number of letters received disputing telephone accounts. It is difficult to point to reasons for this but the drop is welcomed. There has, however, been an increase in the number of letters (and telephone calls) disputing other billing matters. The complaints themselves seem to indicate failures in communications between the engineering staff who carry out required work and billing staff who prepare the accounts.

<i>Nature of representation</i>	<i>Written</i>		<i>Telephoned</i>	
	<i>1990</i>	<i>1989</i>	<i>1990</i>	<i>1989</i>
Disputed accounts	449	502	284	286
Provision of service	5	44	14	51
Charges/rentals/other billing matters	121	109	102	66
Other standard of service	68	76	39	35
Operator/Directory services	15	10	23	8
Deposits	3	-	2	-
Payphones	9	12	10	5
Miscellaneous	14	39	35	52
International services	3	-	1	-
Phonebooks/Yellow Pages	6	-	8	-
Text transmission	3	-	1	-
Wiring	5	-	13	-
Tariff increases	-	-	-	-
Fault repair service	31	25	41	20
Compensation Scheme	24	9	15	9
Voice value added services	4	-	4	-
Apparatus	7	-	11	-
Telecom Code	-	-	1	-
TOTAL	767	826	604*	532†
GRAND TOTAL	1371‡	1358		

Notes:

* includes calls for advice

† plus 104 calls for advice

‡ plus one representation relating to MCL about conditions of service and one representation relating to mobile phones

8.92 Understandably BT has continued its policy of reasserting the accuracy of telephone accounts unless it finds evidence that the equipment is faulty. Understandably, also, customers remain persuaded that the bill is wrong. The only avenue then open is to appeal to the Chartered Institute of Arbitrators. There is evidence that, in some cases, settlements have been made by BT and the case has been withdrawn from arbitration. The Committee would welcome further information about the number of appeals made to the Institute and the number settled before passing to an Arbitrator.

8.93 As in previous years disputed telephone accounts form the largest part of complaints received. We have, in the past, in order to give customers greater confidence in the bills they receive, recommended independent assessment of the apparatus and procedures involved in compiling them. The Committee welcomes the work which is now being done to ensure that PTO metering and billing procedures meet high standards of accuracy and reliability.

8.94 We have also urged BT to give subscribers additional means to control the

use of their telephones and thus prevent exceptionally high bills being received as a result of unauthorised calls particularly to premium rate services. It was anticipated that BT would introduce optional call barring to premium rate services (from early in 1991) but only to those subscribers served by modern digital exchanges. We, therefore, urge speedy modernisation of the network so that all can benefit from this facility.

8.95 We also wish to draw subscribers' attention to the need to replace the receiver correctly when ringing premium rate recorded messages. Failure to do so may mean that the customer's meter at the local exchange will continue to run and the result is a heavy bill. Technical means should be found by which such calls are terminated automatically after a reasonable time. The Independent Committee for the Supervision of Telephone Information Services (ICSTIS) is to be commended for its proposal in this respect.

8.96 Itemised bills, too, are a means by which customers are given greater knowledge – and, it follows, control – over the use of their telephones. The proportion of subscribers who can receive itemised bills in Wales is much below that in England, Scotland or Northern Ireland.

TELECOMMUNICATIONS ADVISORY COMMITTEES (TACs)

8.97 We regret to report that it has still not been possible to reactivate the Cardiff and District Committee. We are conscious of the need to have a TAC serving the capital city of Wales and efforts will continue to ensure that there will be representation in this densely populated area.

8.98 Wrexham, too, is giving the Committee cause for concern. The Committee there has not met for some time and local officers are being encouraged to become active again.

8.99 We are, however, extremely hopeful that it will soon be possible to form a TAC in Mid Glamorgan.

8.100 TACs in the remainder of Wales met at regular intervals and continue to deal with complaints from local telecommunications customers (primarily BT customers). We are grateful for the work they do. We are grateful, too, to senior officials in BT for their attendance and help at Committee meetings.

8.101 It has been the wish of the Committee to enhance its relationships with TACs and, in furtherance of this objective, the Chairman and Secretary have attended area liaison meetings of TAC Chairmen and Secretaries in both South and North Wales. Members of the Welsh Committee have also attended local TAC meetings.

BT WALES

8.102 We are pleased to record BT's generous support to life and events in Wales. Of particular note is the continuing support to the National Eisteddfod, arts, education, disabled groups and community conservation, and the Environment projects.

8.103 A perennial problem is the degree to which BT is prepared to meet the aspirations of supporters of the Welsh language. We note BT is preparing to increase the use of the Welsh language in Directories covering those parts of Wales where the demand is greatest.

CHAIRMAN AND MEMBERS OF THE COMMITTEE

Chairman

Mr T D Lynch LLB

Solicitor; Chairman, Social Security Appeal Tribunals; Chairman, Shaw Group of Housing Associations



Members

Mrs P J Blackwell

Organiser, WRVS Welfare for Elderly – Powys; Member, Brecknock and Radnor Community Health Council

Member from October 1990

Mr D P L Davies FCA

Director, N M Rothschild & Sons (Wales) Ltd; Director, Principality Building Society; Honorary Treasurer, University of Wales; Member, Post Office Users' Council for Wales

Mr D R Dutton JP

Member, Post Office Users' Council for Wales

Mr G S Hall

Company Director; Member, Post Office Users' Council for Wales; Member, Cardiff and District Post and Telecommunications Advisory Committees

Mrs R R Hayes JP

Organiser, WRVS County Cars; Member, Post Office Users' Council for Wales; Member, Pembrokeshire Post and Telecommunications Advisory Committees; Saundersfoot Harbour Commissioner

Mrs P E Hughes

Voluntary County Organiser, Women's Institute; Member, Post Office Users' Council for Wales; Member, Swansea and District Post and Telecommunications Advisory Committees

Retired from membership May 1990

Mr D T Jones

Principal Tutor, North East Wales Institute of Higher Education; Financial Consultant

Mr J C Maynard BSc CEng MBCS

Information Technology Manager, Welsh Water plc

Member from October 1990

Mr L C Murphy JP

Manager, Sheltered Workshop for the Disabled; Member, National Association of Local Councils, Welsh Committee; Member, Post Office Users' Council for Wales

Cllr L G Owen

Local Authority Councillor; Welfare Rights Adviser; Secretary, Holyhead Trades Council; Member, Management Committee, Holyhead Opportunities Trust

Mr J R Roberts

President, Gwynedd Age Concern Committee; Vice President, Gwynedd Association of Local Councils; Member, Post Office Users' Council for Wales; Member, Merioneth Post and Telecommunications Advisory Committees

Retired from membership May 1990

Mr B M Sykes

Farmer; Member, National Farmers' Union (NFU) Council; Chairman, NFU Commercial and Transport Sub Committees; Member, Pembrokeshire Health Authority; Member, Post Office Users' Council for Wales

Professor M Tedd MA

Vice Principal; Professor of Computer Science, University College of Wales, Aberystwyth

Mr M L Thomas OBE MA (Oxon)

Solicitor; Clerk to the Neath Harbour Commissioners; Member, Post Office Users' Council for Wales

Professor P A Witting BSc MTech CEng FIEE

Head of Department of Electronics and Information Technology, Polytechnic of Wales

Secretariat

Mr B Lewis

Secretary

Mrs G M Rich

Assistant Secretary



Report of the Northern Ireland Advisory Committee on Telecommunications for the year ending 31 December 1990

INTRODUCTION

8.104 The Committee met on seven occasions, during the year – in February, April, June, September, October, November and December. The meeting held on 26 November was a special meeting to hear a briefing by senior OFTEL officials on the Government's Duopoly Review consultative document *Competition and Choice: Telecommunications Policy for the 1990s*.

8.105 During the year the Chairman was pleased to welcome a number of visitors to the Province when presentations were made to members of the Committee. In particular, Sir Bryan Carsberg, the Director General of Telecommunications, who was a guest speaker at the Conference which we hosted at Queens University in April (see paragraphs 8.121 to 8.125). The Committee was also pleased to receive several other visitors from OFTEL during the year – Mr W R B Wigglesworth, Deputy Director General together with Mr A Bell and Mr R I Cozens in November and Mr D P Willmets and Mr F Barnes in September.

8.106 Close contact has been maintained during the year through Mr Doug Riley, Chief Executive of BT in Northern Ireland

who has been of great assistance to the Committee.

8.107 During September and November the Chairman welcomed five new members, Mr F C Barter, Mrs O M Marshall, Mr G E Mills, Mrs M Mooney and Mrs M Noble to the Committee.

8.108 The Committee has continued its practice of holding meetings around the Province and to this end the June meeting was held in Omagh.

8.109 Mr J A Kerr represented the Northern Ireland Committee at the Consumer Congress held at Liverpool University from 20-22 April 1990.

WORK OF THE COMMITTEE

8.110 Further developments in telecommunications meant that the Committee spent considerable time on reviewing and submitting views on consultative papers and discussion documents. At the February meeting the main item on the Agenda was a discussion of the planning of the Telecommunications Conference *Telecommunications in the Nineties* which took place at the Queens University, Belfast (see paragraphs

8.121 to 8.125). Other matters discussed involved proposals by OFTEL to improve the lines of communications with TACs and the consultative procedures for the siting of public payphones.

8.111 At the April meeting it was agreed that there was a need to enhance public perception of the existence and role of NIACT. A number of suggestions were made as to how this objective could be best achieved.

8.112 A paper *Itemised Billing and the Confidentiality of Counselling Services* was tabled. The paper set out options which might help to solve some of the problems of the counselling organisations.

8.113 The June meeting was held in Omagh. The object of these meetings is to enable Committee members to obtain local views and concerns so that these can be followed up and advice and assistance given. Members of the Omagh TAC were present at the meeting. Other business discussed at this meeting included: the Omagh TAC, liberalised payphones and call charges, complaints handling, the 1991 Telecommunications Seminar (see paragraphs 8.121 to 8.125), BT deposits and BT's disconnection policy.

8.114 The September meeting was attended by Mr D P Willmets of OFTEL and Mr F Barnes, OFTEL's Consumer Policy Adviser. Mr Willmets gave a general overview on matters of current concern to OFTEL and NIACT. Mr Barnes reviewed a number of consumer policy initiatives which were being studied by OFTEL. Discussion then took place on these initiatives, which included BT's policy and procedures in regard to deposits and disconnection of service and its introduction of a new complaints handling system. We were also briefed on the possible technical and legal difficulties connected with Calling Line Identification (CLI) as a means of preventing nuisance telephone calls.

8.115 At our meeting held in October we considered BT's plans to introduce charges for its Directory Enquiry service from April 1991. We were aware that special arrangements would be made for the benefit of blind and certain other disabled people but we were, nevertheless, concerned about the impact of charges on other disadvantaged users. We subsequently made these views known to OFTEL and the Advisory Committee on Telecommunications for Disabled and Elderly People (DIEL).

8.116 Another subject raised at this meeting was the compliance of private payphone operators in the Province to the rules governing the provision of payphone facilities to the public. We suspected from the personal observation and experience of members of the Committee that the rules concerning the display of call charge rates on or adjacent to payphones in many locations such as public houses and shops were being ignored. Although local Trading Standards Officers are responsible for enforcing these regulations we realise that they often have many other pressures on their time and we were therefore of the view that some form of special initiative was necessary to assess the extent of the problem. At the time that this Report was being prepared, discussions were taking place with OFTEL on this matter.

8.117 We also discussed the ICSTIS consultative document on the future regulation of the audiotex industry in the UK. In general we endorsed the main proposals contained in the document, namely that introductory cost messages should be given at the beginning of all premium rate telephone service calls, that there should be a standard maximum duration for all calls made and that variable pricing should not be permitted until such time as itemised billing, automatic cut-off and call-barring facilities were available to all customers.

8.118 Our last two meetings in November and December were devoted to discussion of the Government's consultative document

Competition and Choice: Telecommunications Policy for the 1990s. The November meeting was attended by Mr W R B Wigglesworth, Deputy Director General of Telecommunications at OFTEL and colleagues who gave us a very useful presentation on the document, highlighting the main issues on which the Committee's views were sought. We greatly appreciated this and the opportunity it offered to relate the telecommunications situation in Northern Ireland to the developments taking place or in prospect at the national level.

8.119 Although we had not finalised our response to the consultative document at the end of the period of this Report, we were minded to support the main proposal contained in it, namely the abolition of the duopoly shared by BT and MCL. MCL had yet to make any impact in Northern Ireland and we felt that both it and others, in the private sector, should be given special consideration to encourage them to set up local networks in the Province in competition with BT.

8.120 We were of the opinion that there were substantial assets in the public domain, which if utilised, could form part of a package to encourage a competitor to establish a trunk network in Northern Ireland to rival that of BT.

8.121 In general we were also minded to support many of the proposals, in particular those intended to allow greater freedom to cable and mobile operators to offer services, and to reduce international call charges through a price cap and by permitting re-sale in certain circumstances. We felt that satellite services were likely to evolve along similar lines to cable TV networks and should be governed according to similar principles.

TELECOMMUNICATIONS IN THE NINETIES

8.122 We held a conference under the title *Telecommunications in the Nineties* at Queens

University in Belfast in March. The audience of about 150 people came from a wide spectrum of local telecommunications users and included many representatives from the TACs in the Province.

8.123 The guest speakers included The Lord Skelmersdale, Parliamentary Under Secretary of State at the Department of Health, Northern Ireland; Sir Bryan Carsberg, Director General of Telecommunications; Mr Douglas Riley, Chief Executive of BT Northern Ireland; Mr John Carrington, Managing Director of Mercury Personal Communications Network Ltd; and Mrs Anne Dickson, Chairman of the General Consumer Council for Northern Ireland.

8.124 The primary focus of the Conference was the development of new advanced telecommunications services and how Northern Ireland might benefit from them.

8.125 Mr Carrington said that MCL planned to include Northern Ireland in its Telepoint and PCN services now being prepared. Mr A M Thompson, BT's District Marketing Manager for Northern Ireland, gave an update on the progress being made to provide Northern Ireland with a digital fibre optic telephone network by 1991, linked both to the UK mainland network and that of the Republic of Ireland. Mr Douglas Riley, BT's Chief Executive Northern Ireland, described the efforts which BT was making locally to improve the quality of its services to telephone users. Mrs Dickson, on behalf of ordinary consumers, expressed concern about the costs of basic telecommunication services and Directory Enquiries. The Director General gave some insight into his current thinking on some of the major telecommunication issues at present, including the review of the BT/MCL duopoly.

8.126 Following the success of this conference we propose to hold a further one in March 1991 which will focus on the European dimension to developments in telecommunications and which will be entitled *Pan-European Telenet*. The pro-

gramme for this conference was still being finalised at the end of the period covered by this Report.

REPRESENTATIONS ABOUT TELEPHONE SERVICES

8.127 In addition to the above representations the Committee's Secretariat dealt also with many direct calls for assistance. These were handled either by the Secretariat or referred by them to the appropriate authority for action.

8.128 Throughout the year under review, close liaison continued to be maintained with BT staff in the Province, who were particularly helpful in responding to queries and complaints which had been referred to the Committee.

8.129 The Northern Ireland Committee wish to place on record its appreciation of the very considerable guidance and assistance which it has received from the Secretariat. Without this the task of the Northern Ireland Committee would have been much more difficult.

PROVISION OF SERVICE

8.130 The demand for telephone service in Northern Ireland remained healthy during 1990. The size of the system increased to 545,317 lines, a growth of 3 per cent over last year.

NETWORK MODERNISATION

8.131 Network modernisation reached several significant milestones during 1990. Over 50 per cent of customers in Northern Ireland are now connected to digital exchanges and a further 23 per cent are connected to electronic exchanges which have recently been given enhanced capability. In Belfast electro-mechanical exchanges have been completely replaced and all telephone customers are now connected to digital or enhanced electronic exchanges. All trunk traffic in Northern Ireland has been carried in digital form since June 1990. These improvements contributed to a significant reduction in the level of faults and have considerably improved the quality of service. This has been confirmed both by internal measurement and customer satisfaction surveys.

Written Representations About Telephone Services Received in the Period 1 January to 31 December 1990

	1988	1989	1990
Accounts	139	141	82
Provision of service	12	16	4
Charges	25	17	19
Quality of service	26	25	19
Deposits	4	3	13
Directory Enquiry service	2	1	6
Payphones (public services)	4	2	4
Miscellaneous	2	3	4
Compensation Scheme	-	4	5
Phone Book and Yellow Pages	-	4	1
Fault repair service	-	-	4
Wiring	-	-	1
TOTAL	214	216	162

DIRECTORIES

8.132 Replacement of the original Community Directories continued and second editions were published for two Districts in Northern Ireland: Lagan Valley and Quoile/Mid and East Antrim.

8.133 The 1990 Northern Ireland Yellow Pages was published in October.

PAYPHONES

8.134 During the year the payphone population increased to 2,280 with 2,084 cash, 185 phonocard and 11 creditcard payphones. The housing modernisation continued with 65 per cent of all public call box housing now upgraded. Serviceability continued to be maintained at 95 per cent and was reflected in customers' perception of the service as being the best in the United Kingdom.

REPAIR SERVICE

8.135 The repair service handled 132,500 fault reports with 90 per cent of business customers faults now being cleared within five working hours and 90 per cent of residential customers faults now being cleared within nine working hours.

8.136 The high standard of repair service continues to be confirmed by ongoing British Standards Institution inspections.

OPERATOR SERVICES

8.137 The quality of service on Directory Assistance and Operator Assistance Service continues to improve and Northern Ireland remains one of the lead Districts within the UK.

8.138 Further London traffic has been transferred to Portadown and the Unit now handles in excess of one million calls per month. Recruitment to staff continues.

8.139 Operator Assistance traffic is gradually being transferred onto digital with the introduction of BTOSS (British Telecom Operator Service System). Further improvement in the quality of service will be forthcoming when all Northern Ireland Operator Assistance calls have been connected to the new system.

BILLING

8.140 Itemised billing is now available to 377,000 customers lines, approximately 69.5 per cent of the total. Around 20 per cent of customers have asked for itemised calls to be shown on their bills.

SUMMARY OF PERFORMANCE STATISTICS

	1987	1988	1989	1990
Working exchange connections % increase over previous year	5.5	4.6	4.0	3.0
Number as at 31 December	485,372	507,560	527,946	545,317
% of customer orders completed within 2 weeks	90	90	90	93.6
Number of telephone kiosks	1,827	2,037	2,183	2,280
Number of vandalism attacks	1,750	1,500	1,350	1,250
Cost of vandalism attacks £000s	200	170	160	150
% of customers with direct 24 hour access to Fault Repair Centres	100	100	100	100
% of network fault reports per exchange connection up to 31 December	0.14	0.14	0.12	0.12
% of faults cleared by end of next working day	92	95	96	N/A
% of business customers faults cleared within 5 hours				90
% of residential customers faults cleared within 9 working hours				90

CHAIRMAN AND MEMBERS OF THE COMMITTEE

Chairman

Mr J J Eccles OBE JP

Past Chairman, NI Lay Magistrates Association; Member, local Enterprise Development Unit; Member, Eastern Health & Social Services Board; Chairman, Post Office Users' Council for Northern Ireland



Mr F C Barter

Past Chairman, Liquid Petroleum Gas Training Committee; Member Industrial Development Advisory Committee

Member from August 1990

Mrs O Craig

Past Vice Chairman, Federation of Women's Institutes; Chairman, Causeway Unit

Mrs E F Glover JP

Company Director; Member of Northern Health & Social Services Board; Juvenile Court Member for Tyrone and Fermanagh

Mrs M Jefferson MBE

Member, James Butcher Housing Association; Chairman, Housing Review Board

Mr J A Kerr

Telephone Supervisor, Royal Group of Hospitals, Belfast; Member, Telecommunications Managers Association

Mr J O McDonald MBE KHS MSc FSCA JP

Mr W C Magee JP FPSNI

Retired pharmacist

Mrs O M Marshall

Past Vice Chairman, General Consumer Council; Vice Chairman, Jordanstown School for Deaf and Blind; Member, Presbyterian Housing Association; Member, South Belfast District Health Committee

Member from August 1990

Mr G E Mills BSc

Member, Standing Committee of Convocation Queens University; Member, Rotary Club of Newry; Director, Aisling Films (NI); Manager, Alliance and Leicester Building Society, Newry and Armagh

Member from August 1990

Mrs M K Mooney

Barrister

Member from August 1990

Mrs M Noble

Panel Member, Social Security Appeal Tribunals NI; Panel Member, Industrial Tribunal; Past Counsellor for Ulster Girl Guides Trefoil Guild; Past Public Relations Officer for Ulster Girl Guides; Past Divisional Commissioner for Ulster Girl Guides

Member from August 1990

Mr J D Thompson MA

Associate of the Chartered Institute of Arbitrators; Solicitor and Notary Public; HM Coroner for South Down; Chairman, Medical Appeal Tribunals NI; Chairman, Social Security Appeal Tribunals NI; Chairman, Rent Assessment Committees NI; Vice Chairman, Southern Health and Social Services Board

Mr W J Whitely JP MBA Dip HE

College Lecturer; Chairman, Lisburn Citizens' Advice Bureau; Member, Northern Ireland Partnership; Member, Lisburn Juvenile Court Bench

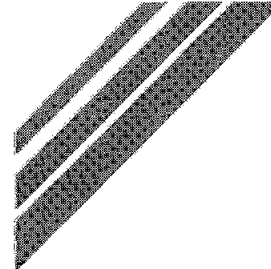
Secretariat

R T Jordan MBE JP

Secretary

Mrs V McCrory

Assistant Secretary



Report of the Advisory Committee on Telecommunications for Disabled and Elderly People (DIEL) for the year ending 31 December 1990

8.141 The Committee met five times during the year. We were pleased to welcome the Director General of Telecommunications or his Deputy to two of our meetings. Four members completed their periods of appointment to the Committee during the year – Robert Fawcus, Alan Leighton, Dorothy Rhodes and Brian Symington. In addition, we also lost the services of Cecil Pettit who was forced to tender his resignation in January as a result of increasing personal difficulties in travelling to meetings. We would like to take this opportunity to thank each of them for their valuable contributions to our work over several years. Three new members – Geoff Busby, Michael Godfrey and Dr Eric Midwinter – were appointed during the year. A full list of the membership of the Committee, as at 31 December 1990, follows this Report.

DIEL INFORMATION PACK ON TELEPHONE SERVICES AND FACILITIES

8.142 In our last Report we announced that we planned to publish a telephone information pack to help improve awareness amongst disabled and elderly people of the range of different telecommunications services and facilities which are currently

available to help them. The pack was launched at *Naidex '90* in October. It comprises fifteen short, easy-to-read leaflets covering such subjects as basic telephone installation and rental charges, special telephones and facilities for hard of hearing, deaf, blind and other disabled people, the protected service scheme for elderly and disabled people living alone and emergency telephone fault repair services for those with serious medical needs.

8.143 We have made arrangements with various care organisations to ensure that the pack is distributed as widely as possible. Demand for copies, in the two months immediately following its launch, has been most encouraging (see paragraph 5.10). It confirms our belief of the need for more targetted publicity. The pack has now gone into a third print and we intend to add to its contents as further services and facilities become available for those with special needs.

NATIONAL TELEPHONE RELAY SERVICE FOR DEAF PEOPLE

8.144 For some time we have been dissatisfied about the very limited access to telephone networks which has been available

for profoundly deaf and severely speech impaired people. Although we recognise the value of the limited Telephone Exchange for the Deaf service, provided by the Royal National Institute for the Deaf, we feel that there is now a clear requirement for a national relay service to enable them to communicate with other people until technology has developed sufficiently to allow them to communicate with others without the necessity for any form of intermediary service.

8.145 Our concern was increased earlier this year when it became known that even the continuation of the RNID's small service was under threat through lack of available funds. Because we felt that special services for disabled people should not have to rely on charitable donations, we recommended to the Director General that he should require BT to provide a national relay service possibly in conjunction with the other public telecommunications operators. In doing so we recognised that he might need to allow BT an exceptional, once only, increase in charges (outside the current RPI-4.5 limit for the basket of its main services) to meet the costs of providing this service. In our view, this would not impose a significant cost to individual customers and that most of them would welcome this initiative.

8.146 In the event, after discussions with the Government, the Director General was able to secure an agreement with BT through which it will fund the expansion and upgrading of the RNID's Telephone Exchange for the Deaf into a national relay service. Within the next year this will be available to deaf and speech impaired people anywhere in the UK for 24 hours a day. Although the agreement only covers the next three years, we are pleased to note that the Director General will be working towards securing long-term funding for the new service and that he wants to see the other public telecommunications operators contributing towards its operational costs.

DIRECTORY ENQUIRY SERVICES

8.147 We reported last year that we had reached agreement with both BT and MCL on safeguards for blind and certain other disabled people in the event of either operator wishing to introduce Directory Enquiry charges to customers in general. MCL subsequently sought, and obtained, the approval of the Director General to its plans to introduce charges (with the exemption arrangements agreed with us) and these came into effect on 2 January 1990.

8.148 BT did not make a formal request to the Director General until several months after MCL and, after this was approved, it announced in October 1990 that it proposed to introduce charges for its Directory Enquiry service from 2 April 1991. Because of its considerably larger customer base compared to MCL, especially amongst disabled people, we were anxious that BT should undertake an extensive campaign to publicise the registration arrangements through which blind, and certain other disabled customers, would be able to continue to obtain free Directory Enquiry calls after this date.

8.149 BT set up a dedicated Directory Enquiries bureau in Sheffield which became operational before the end of the year. It was designed to answer calls from blind and other disabled people registered to receive a free directory service in advance of the introduction of charges to other customers. We asked BT to provide details of its plans to publicise these arrangements and we were generally satisfied with their scope. Apart from advertising directed at disabled organisations, this included advertising in national newspapers, special audio tapes for blind customers and a leaflet sent to all telephone subscribers with their telephone bills.

8.150 The campaign was only beginning to get into its stride at the end of the period covered by this Report and it is too early to

pass any judgement on its effectiveness. However, we shall be monitoring its impact closely with BT in the period both up to and beyond the introduction of charges in April 1991 and we will not hesitate to seek improvements if we have reasons to believe it is not achieving the desired effect.

BT'S PRICE CHANGES IN SEPTEMBER 1990

8.151 Although we appreciated that the package of price changes which BT implemented in September complied with the price control formula in its licence, we felt the increases in line rentals and in call charges would have a disproportionately adverse impact on low income customers. In particular, we considered the increases in call charges, especially for local calls, would seriously devalue the benefit which could be derived from the Low User Rebate (LUR) Scheme – a situation which would be made even more acute when Directory Enquiry charges are introduced. We, therefore, urged that BT should raise the 120 unit limit on the LUR scheme as a counterbalance. Subsequently, the Director General announced he intended to carry out a full review in conjunction with the Duopoly Review of the future balancing of telephone prices and how the needs of the poorest members of the community should be protected. At the end of the period covered by this Report we were still developing our further advice on this subject (see paragraphs 8.152 to 8.156).

EMERGENCY TELEPHONE FAULT REPAIR ARRANGEMENTS FOR CHRONICALLY SICK AND SERIOUSLY DISABLED PEOPLE

8.152 During the latter part of the year we conducted a review with BT of the free priority fault repair arrangements which BT offers to those seriously ill and immobile customers whose lives depend on constant

access to outside medical help. We expressed dissatisfaction with the lack of any close liaison as a matter of course between BT and local social welfare officers in connection with the scheme, the limited publicity to alert potentially eligible customers to it and the insensitivity of the language of the letters to existing customers in order to check on their continued eligibility. We made several suggestions how general awareness of these arrangements could be improved in order to offer a greater sense of security to those with serious medical needs. We will be looking to BT to correct these shortcomings as quickly as possible.

THE DUOPOLY REVIEW

8.153 Towards the end of the year covered by this Report, the Department of Trade and Industry published a public consultative document *Competition and Choice: Telecommunications Policy for the 1990s*. It signalled the first major review of the duopoly in switched telephony services between BT and MCL in seven years.

8.154 Although we were still considering our response to this document at the end of the year, in summary, we supported its primary proposal. We felt that disabled and elderly telephone users should have more choice in the services available to them at competitive prices in common with all other consumers. Competition between BT and MCL has brought few direct benefits for elderly and disabled people and we would like to see other operators allowed to enter the market to compete with them.

8.155 However, we felt it was important that there should be some measure of social obligation to provide services written into the licences of all operators. We considered that this would be necessary to prevent them concentrating exclusively on the most lucrative parts of the market with an adverse effect on the quality of services available to those whose interests we seek to promote.

In this connection, we were attracted by the suggestion that all the operators might be required to contribute payments based on their market shares into a central fund from which they could draw in proportion to the social obligations they were contracted to undertake.

8.156 The cost of access and use of services is the determining factor for those tied to low, fixed incomes. As a result, we felt that if further competition was not to pass them by, special tariff arrangements to enable them to gain access to telecommunications networks would have to be devised. In the same way, we believed BT's Low User Rebate Scheme should be developed into an optional Low Income Tariff. This could help existing low income disabled and elderly people to continue to have their own telephone service but it would also enable others to take out telephone service who cannot afford to do so at present.

8.157 We also felt that we should take the opportunity to reaffirm our long-held view that disabled people should not be denied access to new equipment or services by the introduction of new technology. Evolving telecommunications standards and approval arrangements should always take proper account of the special facilities required by disabled people and the need for compatibility between different networks and terminals which make it possible for deaf people to transmit and receive text messages. In addition we consider that it is essential that deaf and speech impaired people should have immediate and direct access to the emergency call services.

OTHER MATTERS

8.158 We continued to maintain regular contacts with OFTEL and with the PTOs – BT and MCL in particular. Apart from the matters mentioned elsewhere in this Report, we had two meetings with representatives of BT's Action for Disabled Customers Unit (BTADC) in order to keep abreast of the

work being undertaken within the company on developing and adapting telecommunications products and facilities to help disabled customers. We also met with representatives of MCL to discuss how the expansion of its services might offer greater benefits to disabled and elderly telephone users.

8.159 In the past we have had only occasional contacts with the Director General's Working Group for the Hearing Impaired (WGHI) (see paragraphs 3.63 to 3.66). During this year we decided to establish much closer liaison with the WGHI on technical matters. The Chairman of the WGHI attended two of our meetings during the year and we hope that these regular contacts will continue in future.

8.160 David Hyslop was a guest speaker at the 1990 Consumer Congress held at Liverpool University in April which was attended by two other members – Sheila Barrows and Colin Low. The overall theme of this year's Congress was *A Consumers Agenda for the 1990s* and our members took part in one of the workshops which considered the disabled consumer and the public utilities. A common agenda of areas of concern to disabled and elderly people with each of the public utilities was adopted by the Congress and where relevant to telecommunications we shall be looking at ways of rectifying these concerns.

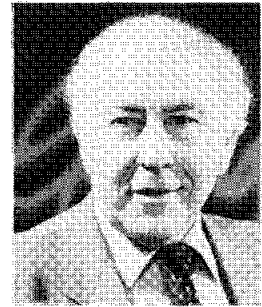
8.161 As in previous years, we sought to raise public awareness of our role and activities. Although our existence is now widely known amongst organisations active in the field, this is not the case amongst individual elderly or disabled people themselves. We hope that the information pack which we launched at the *Naidex '90* exhibition, where we had an information stand, will go some way to changing this. We should also be interested in exploring ways in which the consumer agencies established as a result of privatisation might engage in joint consumer publicity exercises.

CHAIRMAN AND MEMBERS OF THE COMMITTEE

Chairman

Mr D Hobman CBE

Former Director, Age Concern, England; Executive Secretary, Charities Effectiveness Review Trust; Conciliator, Sheltered Housing Advisory and Conciliation Service



Members

Mrs S Barrows

Chairman, Friends of Brookwood Hospital; Vice-Chairman, North West Surrey Community Health Council

Mr G Busby

Project Director, IT Support for Disabled People *Member from July 1990*

Mr C Croft

Manager, Voluntary Agencies Link Unit, Royal National Institute for the Blind

Mr R Fawcus

Speech Therapist and Head, Department of Clinical Communication Studies, City University, London

Retired from membership February 1990

Mr M Godfrey

Manager, Friends of The Royal Botanic Gardens, Kew

Member from May 1990

Mr D Hyslop

National Director, Breakthrough Trust

Mr A Leighton JP

Director, Marketing and Communications, Royal Society for Mentally Handicapped Children and Adults

Retired from membership May 1990

Mr C Low

Director, London Boroughs Disability Resource Team

Mr M Martin OBE

Director, Communication Services, Royal National Institute for the Deaf

Dr E Midwinter

Director, Centre for Policy on Ageing; Chairman, London Regional Passengers' Committee
Member from May 1990

Mr C Pettitt MBE

Chairman, Northamptonshire Council for the Disabled
Resigned from membership January 1990

Mrs D Rhodes

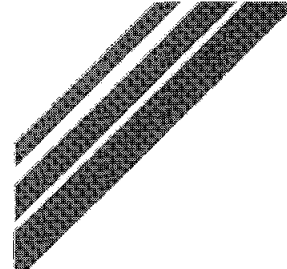
National President, National Federation of Retirement Pensions Associations
Retired from membership February 1990

Miss A Spokes

Vice-President, and former Chairman, Age Concern, England; Chairman, Oxford TAC;
Member, Oxford City Council

Mr B Symington

Principal Social Worker, Sensory and Impaired Services, Eastern Health and Social Services
Board; Chairman Ulster Institute for the Deaf
Retired from membership July 1990



Report of the Advisory Committee on Telecommunications for Small Businesses (BACT) for the year ending 31 December 1990

8.162 The Committee met on four occasions during the year. We welcomed the Director General or his Deputy to two of our meetings. Two members, Ian Bell and Fred Hawman, came to the end of their periods of appointment in the course of the year. We would like to take this opportunity to thank them for their contribution to the work of the Committee over several years. We were pleased to welcome three new members, namely Sefton Bennett, Sean Mayo and Pamela Parker to our ranks. A full list of the membership as at 31 December 1990 appears after this Report.

8.163 The Committee offered views and comments to the Director General and others on several issues during the year.

THE DUOPOLY REVIEW

8.164 The most important telecommunications subject to come to the fore in 1990 was the start of the Government's review of the current BT and MCL duopoly in the provision of telecommunications services over fixed links. The review began in November following the publication of the Department of Trade and Industry's consultative document *Competition and Choice: Telecommunications Policy for the 1990s*.

8.165 Whilst we were still considering our detailed response at the end of the year, in summary, we endorsed the main proposal that the duopoly should be brought to an end and new licences considered in respect of local, trunk and international networks. Similarly, we also supported the other main proposals to give greater freedom to existing mobile and cable operators; reducing international call charges through a price cap and by allowing resale of leased lines (private circuits) in some circumstances; and allowing firms to install networks for their own use.

8.166 We were interested in the concept of 'Telepoint-to-the-Home' or neighbourhood Telepoint being permitted because we saw this as being of particular interest to smaller businesses or the self-employed as a potentially economic way of obtaining an additional line or lines into their business premises. However, we were sceptical of a significant market existing for retailers of telecommunications services. We considered that should such a market be allowed to develop, it would be necessary to have a code of practice to which all retailers, including those owned by network operators, would adhere to offer protection to customers.

8.167 We were in favour of more competition being permitted in trunk network services, providing, like local services, standards and quality of service were kept at a high level. We considered that any public sector competition of the type outlined in the document should be funded entirely from the private sector and should not include any form of cross-subsidisation from the main business of the utilities concerned.

8.168 We were strongly of the view that equal access to different trunk networks through the local loop of the kind already available to cover the Hull area was probably the most important area where a change to the current position could have a significant impact on small businesses throughout the country.

8.169 In regard to international telecommunications services, we fully supported the proposals contained in the document, including the introduction of a price cap and simple resale where other countries do likewise.

8.170 We supported the continuation of the current control arrangements over BT's main charges. We were very interested in the concept of different tariff packages as a means of giving customers more choice but we were concerned that, if permitted, such packages should not include discounts only to one group of customers and not others.

8.171 In our view most telecommunications apparatus typically used by small businesses was of a relatively low complexity, and was generally reliable and required little maintenance. If the licence requirements for an annual maintenance inspection was removed we thought that any problems which might occur could be dealt with on the basis of payment for work done, rather than requiring a maintenance agreement. We, therefore, thought that a review of the current maintenance arrangements should be undertaken at an early stage.

PREMIUM RATE TELEPHONE INFORMATION AND ENTERTAINMENT SERVICES

8.172 We have been concerned for some while about the potential and actual abuse of premium rate information and entertainment services whereby employees of businesses make calls to these services without the authority of the subscriber. We, therefore, welcomed the review of the regulation of these services instigated by the Independent Committee for the Supervision of Standards of Telephone Information Services (ICSTIS) but believed that the recommendations made in ICSTIS's consultative document were not sufficient in every instance to ensure more adequate protection against unauthorised use.

8.173 We considered that all services should have an introductory cost message which should be a standard, unambiguous message. In addition we felt that the cost message should be provided by the network operator but that the cost of providing it should fall on service providers and not telephone subscribers in general. We also felt that there should be a sufficient time delay on all premium rate service calls between the initial cost message and the start of the service to enable the caller to replace the receiver without being charged for any part of the call. Furthermore, we were of the opinion that there should be additional cost messages after every five minutes where the call length exceeded that time and that maximum call lengths for different types of service should be instituted.

8.174 We considered that variable pricing should not be permitted at higher prices than currently charged until such time as several measures were available. These included automatic cut-off facilities throughout the network for all services and call-barring facilities being available at exchanges to all customers. On the other hand, we considered that downward variable pricing should be permitted once net-

work operator cost messages were available throughout the network. We were not in favour of single drop charging being permitted as we felt that there were other more appropriate ways of charging via the telephone (eg credit cards).

8.175 Although we welcomed the possible introduction of different prefix codes to distinguish information services from entertainment services, we were against a proliferation of different prefix codes for premium rate services. There should be the minimum number of prefixes possible and these should, as far as possible, be distinguishable from other STD codes (given the risk of actual and potential confusion between '0800' numbers which are free to callers and the '08XX' numbers which are STD area codes and charged at the usual rates). We hoped that this concern would be noted in any future numbering plan for the United Kingdom.

QUALITY OF TELECOMMUNICATIONS SERVICES

8.176 As previously we continued to take a close interest in the work undertaken by OFTEL to monitor the quality of service given by the PTOs. We were pleased to see the publication by OFTEL of the results of a survey of business call quality carried out in the early part of 1990 with the assistance of members of the National Federation of Self-Employed and Small Businesses (NFSE).

8.177 Unfortunately, though, the response to the survey was low and it was difficult to draw any firm conclusions from the results obtained. Comparison of the incidence of call failures between this survey and OFTEL's 1989 survey of domestic call quality revealed that whilst call failures were similar, a higher incidence of unsatisfactory calls including wrong numbers, noisy or faint lines, cut off, etc, was experienced by

business users than residential ones (see also paragraph 4.13).

8.178 Last year we reported that we welcomed OFTEL's publication of performance quality statistics for the two cellular radio operators' networks. We were disappointed to see the regular publication of these statistics suspended through technical difficulties in directly comparing the figures produced by each network. We hope that these obstacles can be overcome before too long as we consider that regular, independent monitoring of the networks with publication of the results remains necessary in response to continuing user concerns about congestion levels.

PUBLICITY AND PUBLICATIONS

8.179 During the year we were pleased to see the publication of a new edition of *Does Your Business Need a New Telephone System?* This was the first of a series of basic guides to telecommunications equipment and services for businesses which we have produced in co-operation with OFTEL over several years. The new edition takes account of several changes which have been made in the Branch Systems General Licence (BSGL) since 1986 when the original guide was produced.

8.180 In the past year we have also been developing plans to produce a regular newsletter as a means of disseminating relevant topical information about telecommunications matters to small businesses. This newsletter will probably take the form of one A4 two-sided sheet which will appear about twice a year. We hope to produce the first of these newsletters in the near future.

8.181 We always welcome enquiries and comments from small businesses about their telecommunications needs and problems.

CHAIRMAN AND MEMBERS OF THE COMMITTEE

Chairman

Mr M Ashton

Chairman and Managing Director, Snell and Prideaux Ltd



Members

Mr P Agnew

Chief Executive, Lanarkshire Industrial Field Executive (LIFE)

Mrs J Barden

Director, Barville Productions Ltd

Mr I Bell

Managing Director, St Brides Hotel

Retired from membership April 1990

Mr S Bennett

Managing Director, Louis Bennett & Co Ltd

Member from May 1990

Mr R Frenzel

Businessman, local interests

Mr P Frymann

Sales Administrator, Geoffrey E MacPherson Ltd

Mr R Furey

Managing Director, Systems Solutions Ltd

Mr F Hawman

Director, Distribution Management (UK) Ltd

Retired from membership January 1990

Mr M Jordan

Managing Director, Cornish Stairways Ltd

Mr S Mayo

Chartered Engineer and Consultant; Managing Director, electronics company
Member from July 1990

Mr T Nichol

Director, Carefree Travel

Mrs P Parker

Managing Director, AEC Ltd
Member from May 1990

Mr E Roberts

Chairman and Chief Executive, Heath Springs Ltd

Mr M Taylor

Managing Director, Eric R Taylor (Transportation) Ltd

Mr G Thorpe

Proprietor, Supertech Electronics



Appendices


1

Representations about PTO licensing and related issues for the period 1 January to 31 December 1990

British Telecom	
Tariffs and charges	609
Installation, maintenance, ownership of wiring and equipment	250
Unfair competition	46
Emergency/Priority	43
Payphones	27
Equipment approval	5
Chatlines/recorded message services	339
Other*	311
Mercury	93
Kingston Communications (Hull)	7
Branch Systems General Licence	29
Radiopaging/mobile radio	
Cellular	1340
Band III PMR	16
Paging/System 4	24
Cable	7
Satellite services	5
Other licensing issues	85
<hr/>	
TOTAL	3236

* This category includes representations on contract terms and conditions, provision of service, itemised billing, Directory Enquiry services, numbering, duct sharing and other miscellaneous topics.



2

Representations about PTO services received by OFTEL and ENACT for the period 1 January to 31 December 1990

Disputed telephone accounts	16,147
Charges/rentals and other billing matters	5,178
Fault repair service	1,733
Provision of service	2,341
Standard of service	1,876
Compensation Scheme	1,140
Deposits	1,151
Payphones	413
Operator/Directory services	622
Other matters	7,929
<hr/> TOTAL	<hr/> 38,530



3

A selection of information on the UK telecommunications industry as a background to the Report

1 AWARENESS OF OFTEL

1.1 Percentage of people who have heard of OFTEL 1985–1990 Great Britain

	<i>Percentages</i>
August 1985	9
August 1986	12
August 1987	13
August 1988	30
August 1989	29
August 1990	31

Source: 1985–1988 NOP (Market Research) face-to-face Random Omnibus Surveys (size of base sample varies from year to year); 1989–1990 RSGB

2 TELEPHONE PENETRATION RATES

2.1 Percentage of households with a telephone 1972, 1980–1989 Great Britain

	<i>Percentages</i>
1972	42
1980	72
1981	75
1982	76
1983	77
1984	78
1985	81
1986	83
1987	83
1988	85
1989	87

Source: OPCS – General Household Survey

3 BT's EXCHANGE CONNECTIONS AND CALLS

3.1 BT's exchange connections in service by type of subscriber 1980–1990 United Kingdom

<i>Year (at 31 March)</i>	<i>Total exchange connections (000s)</i>	<i>Residential subscribers (000s)</i>	<i>Business subscribers (000s)</i>
1980	17,353	13,937	3,416
1981	18,174	14,671	3,503
1982	18,727	15,159	3,568
1983	19,186	15,546	3,640
1984	19,812	16,044	3,768
1985	20,528	16,596	3,932
1986	21,261	17,120	4,141
1987	21,908	17,549	4,359
1988	22,857	18,145	4,712
1989	23,946	18,737	5,209
1990	25,013	19,281	5,732

Source: British Telecom

3.2 BT's public and private rented payphones in service 1980, 1984, 1986–1990

<i>Year (at 31 March)</i>	<i>Public payphones (000s)</i>	<i>Private rented payphones (000s)</i>
1980	77	286
1984	77	286
1986	77	296
1987	78	306
1988	81	320
1989	86	358
1990	90	286

Source: British Telecom

3.3 The number, and annual percentage growth, of effective BT telephone calls by type 1980–1990 United Kingdom

<i>Year (ending 31 March)</i>	<i>Inland</i>		<i>International</i>	
	<i>Total (millions)</i>	<i>% growth over previous year</i>	<i>Total (millions)</i>	<i>% growth over previous year</i>
1980	19,857	6	106	22
1981	20,175	2	117	13
1982	20,806	3	132	14
1983	21,403	3	148	11
1984	22,686	6	173	12
1985	24,500	8	197	14
1986	26,200	7	219	11
1987	28,100	7	243	11
1988	30,300	8	277	14
1989	33,600	11	313	13
1990	37,000	10	354	13

Note: The figures for 1985–1990 are OFTEL's estimates rounded to three significant digits.

Source: British Telecom

4 BT's ITEMISED BILLING PROGRAMME

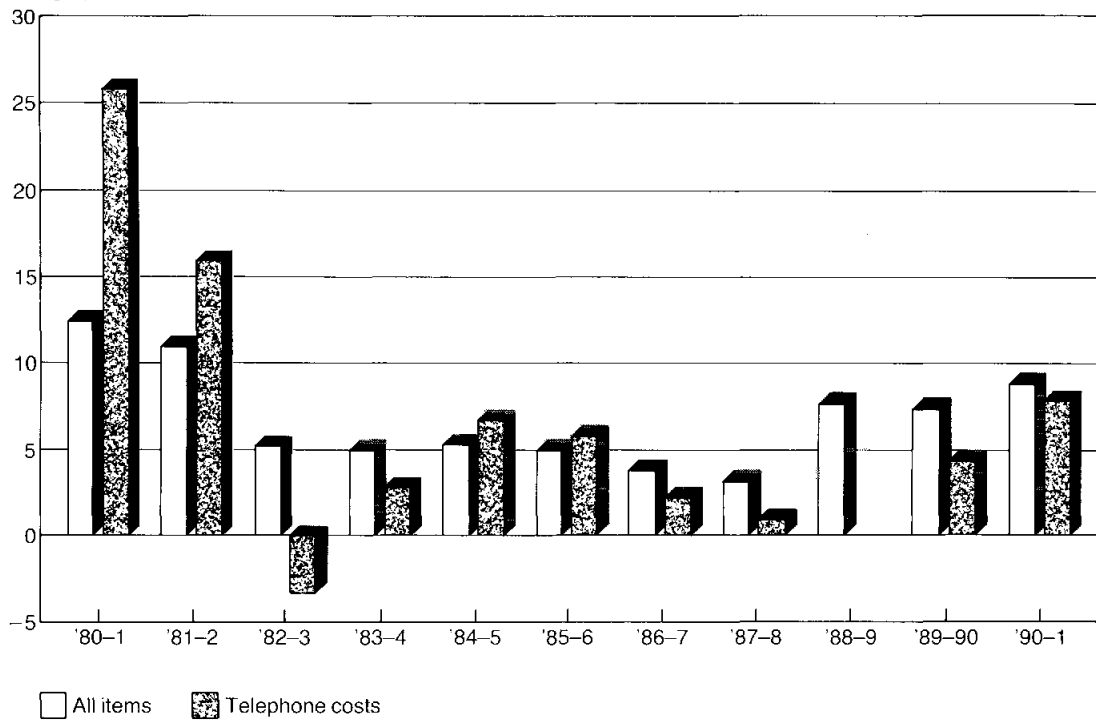
4.1 Availability of itemised billing to BT's customers 1989-1990

	<i>Position as at end of quarter:</i>							
	1989				1990			
	1st	2nd	3rd	4th	1st	2nd	3rd	4th
No. of exchanges	105	416	n/a	1202	1796	n/a	n/a	n/a
No. of working lines (millions)	0.9	1.9	3.1	5.6	9.4	11.3	13.4	17.7
<i>Penetration (%)</i>								
National	3.8	7.9	12.4	22.4	37.0	44.4	51.9	68.0
London & South East	6.3	10.9	15.7	24.4	36.7	44.4	57.4	80.0
Central & South West England and Wales	2.3	4.8	8.3	18.8	32.1	37.4	40.6	57.6
North of England, Northern Ireland and Scotland	3.6	9.0	14.2	24.8	43.0	52.6	60.5	70.1
Note: n/a not available								
<i>Source:</i> British Telecom								

5 BRITISH TELECOM'S PRICES

5.1 Annual percentage change in the Retail Prices Index for all items and the telephone costs components 1981–1991 United Kingdom

% Annual change (Feb to Feb)



Source: Department of Employment

5.2 Summary of BT price changes controlled by its licence (Condition 24A) 1984-1990

	Nov'84 %	Nov'85 %	Nov'86 %	Nov'87 %	Nov'88 %	Sep'89 %	Sep'90 %
Change in RPI in base period	+ 5.1	+ 7.0	+ 2.5	+4.2	+4.6	+ 8.3	+ 9.8
RPI minus 3 (4.5)*	+ 2.1	+ 4.0	- 0.5	+1.2	+1.6	+ 3.8	+ 5.3
Permitted increase†	+ 2.1	+ 4.1	- 0.1	+1.3	+2.8	+ 3.8	+ 5.5
Changes in the price of exchange line rental:‡							
domestic	+ 7.1	+ 8.5	+ 3.7	0.0	0.0	+10.0	+11.6
business	+ 6.8	+ 8.8	+ 3.9	0.0§	0.0	+10.1	+11.8
Change in the effective price of:							
Local calls							
peak	+ 6.8	+ 6.4	+18.9	0.0	0.0	0.0	0.0
standard	+ 6.8	+ 6.4	+ 6.4	0.0	0.0	+ 4.3	0.0
cheap	+ 6.8	+ 6.4	- 3.6	0.0	0.0	+ 3.7	+15.3
National 'a'							
peak	+ 6.8	+ 6.4	+ 1.6	0.0	0.0	0.0	- 2.0
standard	+ 6.8	+18.3	+ 1.1	0.0	0.0	0.0	- 2.1
cheap	+23.1	+ 6.4	+ 2.7	0.0	0.0	+ 3.6	+15.2
National 'b1'							
peak	-10.3	-14.0	-12.0	0.0	0.0	0.0	- 3.0
standard	-10.2	-13.8	-12.0	0.0	0.0	0.0	- 2.9
cheap	+ 6.8	+ 6.4	-12.0	0.0	0.0	0.0	+15.2
National 'b' #							
peak	-14.0	- 6.2	-16.0#	0.0	0.0	0.0#	- 3.1
standard	-13.9	- 4.9	-17.0#	0.0	0.0	0.0#	- 3.0
cheap	+ 6.8	+ 6.4	- 6.2#	0.0	0.0	0.0#	+15.2
Weighted average	+ 2.0	+ 3.7	- 0.3	0.0	0.0	+ 3.2¶	+ 5.3

Notes:

* 1984-1988, RPI minus 3; 1989 onwards, RPI minus 4.5

† After allowing for carry-over of unused allowances from previous years

‡ Exchange line with a basic telephone instrument in November 1984; exchange line excluding telephone instrument thereafter

§ No increase in standard business line rental, but rental for low loss exchange lines was increased

In 1986, and again in 1989, routes were transferred from 'b' to 'b1'. Allowances have been made for this in computing the weighted averages.

¶ The total weighted average increase for the year was 3.5% due to a reduction in the number of concessionary days.

Source: OFTEL

6 BRITISH TELECOM'S QUALITY OF SERVICE FIGURES

6.1 Network reliability

1983-1990

<i>Year to 31 March</i>	<i>Local calls failed* %</i>	<i>STD calls failed* %</i>	<i>Customer premises equipment and network faults per line per annum %</i>	<i>Network only faults per line per annum %</i>
1983	2.7	5.9	0.55	n/a
1984	2.4	5.1	0.54	n/a
1985	2.0	4.4	0.53 [†]	n/a
1986	1.7	4.1	0.48	0.20
1987 Mar [†]	2.2	5.4	0.54	0.25
1987 Sep [†]	2.2	4.3	0.43	0.20
1988 Mar [†]	1.9	3.6	n/a	0.22
1988 Sep [†]	1.7	3.5	n/a	0.19
1989 Mar [†]	1.4	2.4	n/a	0.21
1989 Sep [†]	1.1	1.7	n/a	0.17
1990 Mar [†]	1.0	1.2	n/a	0.25
1990 Sep [†]	0.6	0.7	n/a	0.16

Notes:
* failed because of defective equipment or congestion
[†] figures for 1987 onwards are for the months of March and September only. Figures for the year to 31 March are not available
[‡] Change in the definition from 'fault reports' to 'faults'.
n/a not available

Source: British Telecom

6.2 Fault repair service 1983–1990

<i>Year to 31 March</i>	<i>Percentage of faults cleared:</i>	
	<i>By end of next working day*</i>	<i>Within two working days*</i>
1983	85.1	n/a
1984	85.7	n/a
1985	89.9	n/a
1986	87.1	n/a
1987 Mar [†]	n/a	73.9
1987 Sep [†]	n/a	86.5
1988 Mar [†]	n/a	90.2
1988 Sep [†]	n/a	91.6
1989 Mar [†]	80.8	94.6
1989 Sep [†]	86.3	96.2
1990 Mar [†]	77.5	90.1
1990 Sep [†]	91.4	97.9

Notes:
* Basis for calculation changed in 1987
[†] Figures for 1987 onwards are for the months of March and September only.
Figures for the years to 31 March are not available
n/a not available

Source: British Telecom

6.3 Operator service and Directory Enquiries 1983–1990

<i>Year to 31 March</i>	<i>Operator calls answered in 15 secs %</i>	<i>Directory Enquiries:*</i>	
		<i>answered in 25 secs %</i>	<i>answered in 15 secs %</i>
1983	86.8	82.5	n/a
1984	86.0	80.5	n/a
1985	84.6	80.0	n/a
1986	85.6	83.7	74.0
1987 Mar [†]	83.5	n/a	77.0
1987 Sep [†]	79.4	n/a	75.1
1988 Mar [†]	86.7	n/a	81.2
1988 Sep [†]	80.5	n/a	81.3
1989 Mar [†]	86.1	n/a	85.1
1989 Sep [†]	80.6	n/a	82.6
1990 Mar [†]	87.7	n/a	86.4
1990 Sep [†]	85.1	n/a	86.0

Notes:
* Basis changed from 25 to 15 seconds in 1987. Comparable figure for 1986 is included.
[†] Figures for 1987 onwards are for the months of March and September only
n/a not available

7 MERCURY'S QUALITY OF SERVICE

7.1 Availability of service 1987-1990

Year and quarter	Average availability of all circuits:		Circuits with availability more than 99.5%:	
	Mercury faults only* %	All outages %	Mercury faults only* %	All outages %
1987				
fourth	99.9	99.7	96.9	94.7
1988				
first	99.9	99.9	96.8	94.9
second	99.9	99.8	98.3	97.1
third	99.9	99.8	98.0	94.1
fourth	99.9	99.8	98.5	94.5
1989				
first	99.9	99.9	98.4	96.6
second	99.9	99.8	96.6	90.8
third	99.9	99.8	97.1	90.6
fourth	99.9	99.8	96.7	93.9
1990				
first	99.9	99.8	96.3	93.0
second	99.9	99.8	96.9	92.2
third	99.9	99.8	96.2	91.6
fourth	99.9	99.8	95.9	93.9

Notes:
Table shows availability of each directly-connected customer circuit
* Excluding planned outages (normally arranged to minimise the effect on customers) and those due to other administrations

Source: Mercury

7.2 Incidence of faults and service restoration time 1988-1990

Year and quarter	Faults per line* %	Faults per circuit† %	Faults attended within 4 hours %	Service restoration within:		
				4 hours %	6 hours %	48 hours %
1988						
first	0.038	0.038	86.5	n/a	79.7	96.9
second	0.038	0.028	84.2	n/a	81.9	98.4
third	0.028	0.026	88.1	n/a	83.4	98.9
fourth	0.029	0.019	90.4	n/a	78.8	98.0
1989						
first	0.032	0.022	†	n/a	‡	‡
second	0.029	0.018	‡	n/a	‡	‡
third	0.027	0.019	‡	n/a	‡	‡
fourth	0.020	0.015	81.5	n/a	75.1	95.3
1990						
first	0.023	0.014	79.8	67.5	n/a	94.8
second	0.019	0.012	82.0	66.6	n/a	95.2
third	0.018	0.014	77.9	62.9	n/a	93.2
fourth	0.017	0.012	81.7	60.5	n/a	91.8

Notes:

1 The figures previously published for faults attended and service restoration were based on samples. These have been recalculated.

2 Mercury 2100 switched telephone service, national and international leased services and Mercury 2110 Centrex services except where otherwise indicated

* Direct switched 2100 service

† National private leased

‡ Data not consistent with other periods

n/a not available

Source: Mercury

7.3 Directory Enquiries service 1989-1990

<i>Year and quarter</i>	<i>Percentage answered in 15 secs*</i>
1989	
first	83.4
second	85.2
third	78.8
fourth	82.7
1990	
first	97.0
second	93.7
third	85.7
fourth	79.3

Note: *Of all calls *answered*, percentage of calls which were answered within 15 seconds

Source: Mercury

7.4 Provision of service and test call failure rate

	1990 <i>1st qtr</i> %	1990 <i>2nd qtr</i> %	1990 <i>3rd qtr</i> %	1990 <i>4th qtr</i> %
Installation completed on time*	66.0	74.7	79.0	81.3
Test call failure	2.8	2.9	3.4	2.3

Note: * All direct services

Source: Mercury

8 TELEX AND FACSIMILE SERVICES

8.1 Number of telex exchange connections (BT only) 1980–1990 United Kingdom

<i>Year at 31 March</i>	<i>Number of exchange connections (000s)</i>
1980	85.8
1981	87.9
1982	90.4
1983	90.6
1984	92.9
1985	97.0
1986	104.3
1987	111.5
1988	116.2
1989	111.1
1990	98.6

Source: British Telecom

8.2 Estimated numbers of facsimile terminals 1986–1990

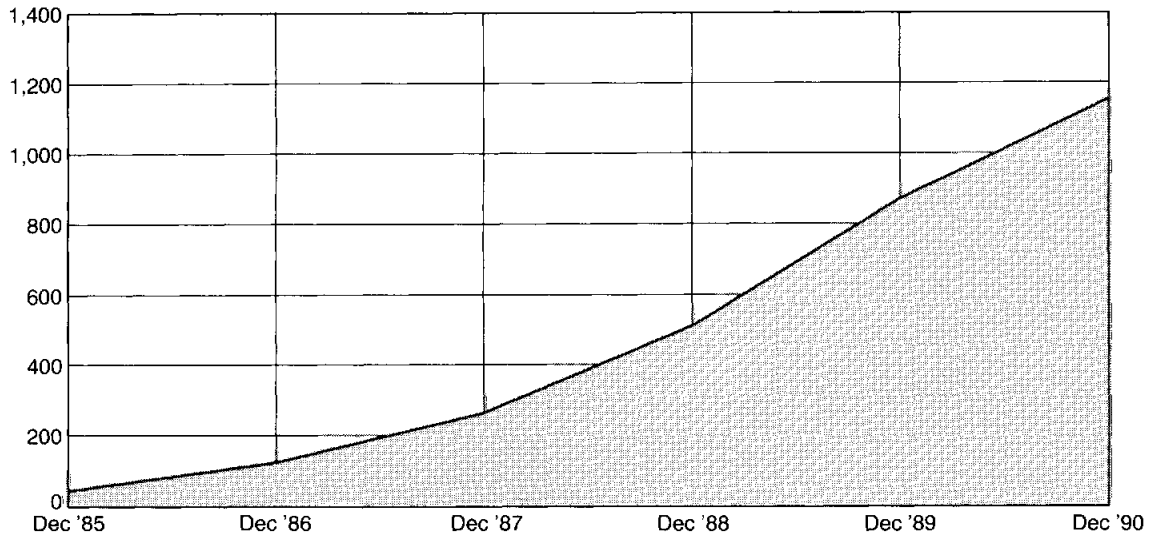
	<i>Number (000s)</i>
December 1986	86
December 1987	173
December 1988	370
December 1989	556
December 1990	750

Source: British Facsimile Industry Consultative Committee (BFICC)

9 MOBILE SERVICES

9.1 Estimated number of cellular radio subscribers 1985–1990 United Kingdom

Subscribers (000s)

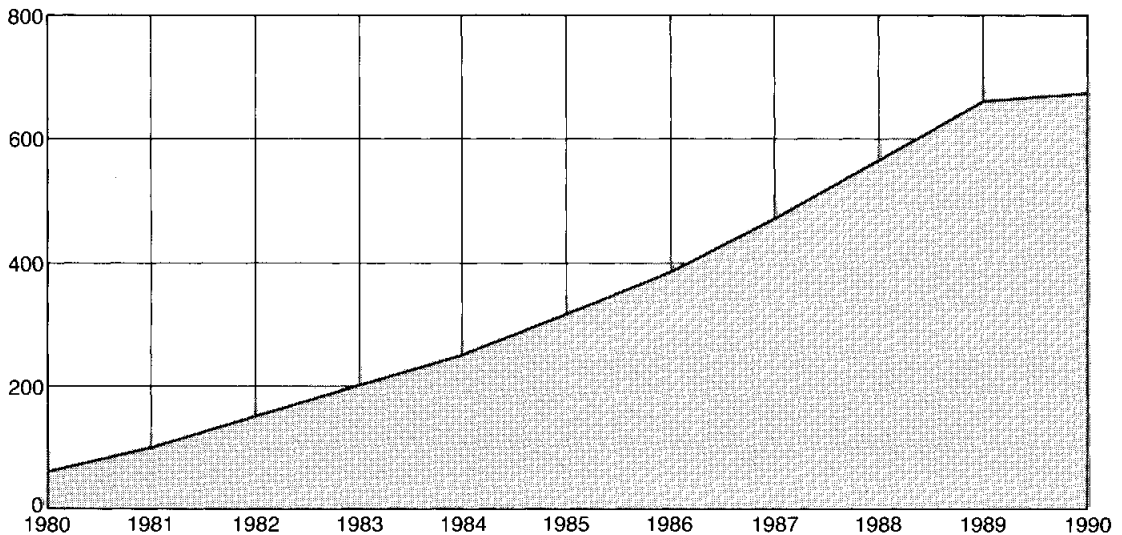


Note: Cellular radio services commenced in January 1985

Source: CIT Research and other sources

9.2 Estimated number of wide area radiopagers in use 1980–1990 United Kingdom

Units in use (000s)



Note: A reduction in the number of pagers allocated by BT to its staff contributed to the slower growth in 1990

Source: CIT Research and other sources

10 TELECOMMUNICATIONS EQUIPMENT INDUSTRY DATA

10.1 Proportion of new PABXs and key systems supplied by British Telecom (based on number of extension lines supplied) by size of system 1980-1989

<i>Year</i>	<i>Small systems %</i>	<i>Medium systems %</i>	<i>Large systems %</i>	<i>Total systems %</i>
1980-1981	99	87	0	83
1981-1982	100	92	0	81
1982-1983	97	85	1	74
1983-1984	95	80	17	76
1984-1985	95	75	48	75
1985-1986	84	63	52	69
1986-1987	78	50	37	58
1987*	68	43	38	52
1988**	65	45	37	51
1989*	59	43	37	47

Notes:
 Small systems - up to 16 lines
 Medium systems - 17 to 500 lines
 Large systems - over 500 lines
 * January to December figure. Figures for the year to 31 March are no longer available
 † Revised figures

Sources:
 1981-1985 The Monopolies and Mergers Commission, British Telecommunications plc and Mitel Corporation, a report on the proposed merger, HMSO 1986 (Cmnd 9715)
 1986-1989 MZA Consultants

10.2 Proportion of new telephones and telephone answering machines supplied by British Telecom (ex manufacturers' deliveries) 1984-1989

<i>Year to 31 March</i>	<i>Telephones %</i>	<i>Telephone answering machines %</i>
1984-1985	83	n/a
1985-1986	79	25
1986-1987	66	25
1987*	54	25
1988*	51	30
1989*	50	40

Notes:
 * January to December figure. Figures for the year to 31 March are no longer available
 n/a not available

Source: MZA Consultants

11 MERCURY GROWTH STATISTICS

11.1 Mercury capital investment and network growth 1984–1990

	<i>Cumulative capital investment*</i> (£m)	<i>Towns with one or more Mercury node[†]</i>	<i>Mercury access areas[‡]</i>
March 1984	10	–	–
March 1985	90	6	–
March 1986	140	25	–
March 1987	295	38	66
March 1988	510	51	103
March 1989	795	67	118
December 1989	n/a	76	231#
March 1990	1032	85	231
September 1990	n/a	85	258

Notes:

* Includes expansion of the network, customer installations and investment in joint venture businesses

† A node is a point of access for directly connected Mercury customers. Mercury's licence determined that service should be provided to 19 locations by November 1989

‡ Mercury access areas are STD code areas in which choice of Mercury network routing is available from BT exchange lines

Increase reflects extension of interconnect arrangements to provide full local extended ingress

n/a not available

Source: Mercury

11.2 Mercury traffic volume* 1987–1990

	<i>Volume (millions)</i>
March 1987	0.05
March 1988	0.3
March 1989	1.3
September 1989	2.1
March 1990	2.9
September 1990	3.7

Note:

* Telephone call volume (outgoing paid PSTN calls) per working day

Source: Mercury

**11.3 Ordered PSTN lines* by type of Mercury service
1987-1990**

	<i>Numbers of lines:</i>		
	<i>2100[†]</i> <i>(000s)</i>	<i>2200[#]</i> <i>(000s)</i>	<i>2300[‡]</i> <i>(000s)</i>
March 1987	5	2	-
March 1988	26	12	6
March 1989	58	52	15
December 1989	89	100	28
March 1990	98	128	35
September 1990	119	201	53

Notes:
* Cumulative numbers of lines (including some not installed by date shown)
[†] Directly connected service for larger businesses
[#] Directly connected service for small and medium sized businesses
[‡] Indirectly connected service for single line residential and small business customers

Source: Mercury

**11.4 Mercury payphones
1989-1990**

	<i>Number of payphones*</i>
March 1989	200
March 1990	600
September 1990	3200

Note: * Cumulative installations



4

Non-PTO licences issued during 1990 under the Telecommunications Act 1984

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Temporary licence granted to Northern Lighthouse Board	1 year	2/1
Licence granted to Brightstar Communications Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	2/1
Licence granted to Relcom Communications Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services within that area bounded by the M25 motorway	6 months	5/1
Temporary licence granted to Immingham Storage Co Ltd to run a mobile radio telecommunications system	1 year	10/1
Licence granted to Independent Television News Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	19/1
Renewal of licence granted to Ferranti Creditphone Ltd for the running of telecommunication systems providing short range radio telecommunication services	6 months	22/1
Renewal of Class licence for the running of portable apparatus connected to short range radio telecommunication systems (Ferranti Creditphone Ltd systems)	6 months	22/1
Licence granted to Phonpoint Ltd for the running of telecommunication systems providing short range radio telecommunication services	6 months	23/1

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Class licence for the running of portable apparatus connected to short range radio tele-communication systems (Phonepoint Ltd systems)	6 months	23/1
Renewal of temporary licence granted to National Mobile Radio Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services within that area bounded by the M25 motorway	6 months	25/1
Renewal of temporary licence granted to National Mobile Radio Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services in Birmingham, Rugby, Great Malvern and the surrounding area	6 months	25/1
Renewal of temporary licence granted to National Mobile Radio Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services in the Manchester and Merseyside areas	6 months	25/1
Temporary licence granted to the Independent Broadcasting Authority to run a privately provided radio link between Poole and the Nine Barrow Down transmitters	1 year	1/2
Temporary licence granted to the Independent Broadcasting Authority to run a privately provided radio link between the Caldbeck and Wigg Knowe transmitters	1 year	6/2
Licence granted to Worldwide Television News Corporation for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	7/2
Renewal of temporary licence granted to London Band III Network Co Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services within that area bounded by the M25 motorway	6 months	8/2
Licence granted to MDL Developments Ltd to run cable systems in the Millbay Marina Village, Plymouth area	Indefinite	9/2
Licence granted to British Cable Services Ltd to run cable systems in the Welwyn Garden City area	Indefinite	9/2
Licence granted to W Abbott & Son to run cable systems in the Mayfield, Hawick area	Indefinite	9/2
Licence granted to West Hill Park Management Co Ltd to run cable systems in the West Hill Park, Camden area	Indefinite	9/2
Licence granted to Valiant House (Management) Ltd to run cable systems in the Valiant House, Vicarage Crescent SW11 area	Indefinite	9/2
Temporary licence granted to Dartford River Crossing Ltd to run a mobile radio telecommunications system	1 year	12/2

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Licence granted to BSB Datavision Ltd	12 years	15/2
Renewal of temporary licence granted to the City of Stoke-on-Trent Council to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	20/2
Licence granted to British Satellite Broadcasting Ltd	15 years	20/2
Licence granted to BSB Datavision Ltd to run telecommunication systems for the provision of satellite telecommunication services	12 years	20/2
Temporary licence granted to Leicester City Council to run a mobile radio telecommunications system	1 year	28/2
Temporary licence granted to Roger Wadsworth & Company (Holdings) Ltd to run a mobile radio telecommunications system	1 year	28/2
Licence granted to Satellite Information Services Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	2/3
Licence granted to British Aerospace Communications Ltd for the running of tele-communication systems to receive messages from earth orbiting apparatus	6 months	5/3
Temporary licence granted to the Borough of Poole to run a mobile radio telecommunications system	1 year	9/3
Licence granted to the British Broadcasting Corporation for the running of outside broadcast links	6 months	9/3
Temporary licence granted to Manchester City Council to run a mobile radio telecommunications system	1 year	12/3
Licence granted to Scansat Broadcasting Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	14/3
Temporary licence granted to Kingston Communications (Hull) plc to run telecommunication systems for the provision of private mobile radio telecommunication services in the Hull area	6 months	15/3
Licence granted to Lancashire Enterprises plc to run cable systems in the Waddington, North Lancashire area	6 months	17/3
Temporary licence granted to Staffordshire Housing Association Ltd to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	19/3
Licence granted to Central Independent Television plc for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	21/3

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Renewal of temporary licence granted to the Metropolitan Borough of Stockport to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	22/3
Renewal of temporary licence granted to North East Derbyshire District Council to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	22/3
Licence granted to Cablecom Investments Ltd to run cable systems in the USAF Mildenhall area	Indefinite	23/3
Licence granted to Cablecom Investments Ltd to run cable systems in the USAF Carpenders Park area	Indefinite	23/3
Licence granted to Cablecom Investments Ltd to run cable systems in the USAF Newmarket area	Indefinite	23/3
Licence granted to British Cable Services Ltd to run cable systems in the Hastings area	Indefinite	23/3
Licence granted to British Cable Services Ltd to run cable systems in the Eastbourne area	Indefinite	23/3
Temporary licence granted to Sevenoaks District Council to run a mobile radio telecommunications system	1 year	26/3
Renewal of temporary licence granted to the Independent Broadcasting Authority to run a privately provided radio link between Piccadilly Radio and their Ashton Moss transmitter	6 months	28/3
Renewal of temporary licence granted to the Borough of Newcastle-under-Lyme to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	30/3
Temporary licence granted to the Independent Broadcasting Authority to run a privately provided radio link between Melody Radio and the IBA transmitters at Croydon	1 year	1/4
Licence granted to BSB Ltd to transmit certain messages to earth orbiting apparatus for the purpose of telemetry, tracking and control	15 years	1/4
Licence granted to BSB Ltd to run a telecommunication system	15 years	1/4
Temporary licence granted to Trak-Sat Communications Ltd for the running of land mobile earth stations	6 months	2/4
Renewal of temporary licence granted to the Electricity Boards	1 year	4/4
Temporary licence granted to Marine Computer & Technical Services Ltd for the running of land mobile earth stations	6 months	5/4
Renewal of temporary licence granted to Redditch Borough Council to run a mobile radio telecommunications system	1 year	7/4

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Renewal of temporary licence granted to the Borough of Crewe and Nantwich to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	11/4
Licence granted to British Cable Services Ltd to run cable systems in the Bristol area	Indefinite	17/4
Licence granted to British Cable Services Ltd to run cable systems in the Merthyr Tydfil area	Indefinite	17/4
Licence granted to Cablecom Investments Ltd to run cable systems in the Little Rissington area	Indefinite	17/4
Licence granted to Cablecom Investments Ltd to run cable systems in the Sculthorpe, Norfolk area	Indefinite	17/4
Licence granted to Cablecom Investments Ltd to run cable systems in the Menwith Hill area	Indefinite	17/4
Licence granted to Yorkshire Television Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	17/4
Temporary licence granted to National Mobile Radio Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services in the Edinburgh, Glasgow and Aberdeen areas	6 months	17/4
Licence granted to British Cable Services Ltd to run cable systems in the Leicester area	Indefinite	30/4
Licence granted to British Cable Services Ltd to run cable systems in the Dover, Deal and Folkestone areas	Indefinite	30/4
Licence granted to Sapphire Ltd to run cable systems in the Moreeway Estate, Enfield area	Indefinite	30/4
Licence granted to Sapphire Ltd to run cable systems in the Napier Road, Enfield area	Indefinite	30/4
Licence granted to White Horse Video to run cable systems in the Builth Wells, Powys area	Indefinite	30/4
Temporary licence granted to Vale Royal Borough Council to run a mobile radio telecommunications system	1 year	2/5
Renewal of temporary licence granted to Euromessage Ltd to run telecommunication systems for the provision of radiopaging services	6 months	2/5
Renewal of temporary licence granted to BP Exploration	1 year	3/5
Licence granted to British Aerospace Communications Ltd to run telecommunication systems for the provision of satellite services	6 months	4/5

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Licence granted to Cable News International Inc for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	8/5
Licence granted to the British Geological Survey for the running of telecommunication systems to transit messages to, and receive messages from, earth orbiting apparatus	5 years	8/5
Temporary licence granted to Eden District Council to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	9/5
Renewal of temporary licence granted to Broadland District Council to run a mobile radio telecommunications system	1 year	12/5
Renewal of licence granted to Mercury Callpoint Ltd to run telecommunication systems for the provision of short range radio telecommunications services	6 months	14/5
Renewal of Class licence for the running of portable apparatus connected to short range radio telecommunication systems (Mercury Callpoint Ltd systems)	6 months	14/5
Renewal of temporary licence granted to Suffolk Coastal District Council to run a mobile radio telecommunications system	1 year	16/5
Temporary licence granted to Knowsley Metropolitan Borough Council to run a mobile radio telecommunications system	1 year	16/5
Licence granted to Bell Boy Ltd to run telecommunication systems for the provisions of radiopaging services within that area bounded by the M25 motorway	25 years	16/5
Licence granted to Superchannel Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	17/5
Renewal of licence granted to Satellite Information Services Ltd to run telecommunication systems for the provision of satellite telecommunications services	6 months	17/5
Temporary licence granted to BYPS Communications Ltd for the running of telecommunication systems providing short range radio telecommunication services	6 months	23/5
Class licence for the running of portable apparatus connected to short range radio telecommunication systems (BYPS Communications Ltd systems)	6 months	23/5
Licence granted to British Cable Services Ltd to run cable systems in the Rhondda and Pontypridd areas	Indefinite	31/5
Licence granted to Broadcast Satellite Television Ltd to run cable systems in the Faversham area	Indefinite	31/5

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Licence granted to Sapphire Ltd to run cable systems in the Edmonton Green Estate, Enfield area	Indefinite	31/5
Licence granted to Sapphire Ltd to run cable systems in the Tannersend Lane, Enfield area	Indefinite	31/5
Licence granted to Sapphire Ltd to run cable systems in the Brettenham Road, Enfield area	Indefinite	31/5
Temporary licence granted to Dacorum Borough Council to run a mobile radio telecommunications system	1 year	4/6
Renewal of licence granted to the British Broadcasting Corporation for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	5/6
Renewal of licence granted to TV-AM plc for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	5/6
Renewal of licence granted to W H Smith Television for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	6/6
Licence granted to the British Broadcasting Corporation for the running of Inmarsat A terminals	6 months	8/6
Temporary licence granted to the Royal County of Berkshire to run a mobile radio telecommunications system	1 year	11/6
Renewal of licence granted to Satellite Information Services Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	12/6
Licence granted to TVI Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	13/6
Renewal of licence granted to Stafford Borough Council to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	13/6
Renewal of temporary licence granted to Oxford City Council to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	18/6
Temporary licence granted to the Independent Broadcasting Authority to run a privately provided radio link between Fulham football ground and the IBA transmitters at Croydon	1 year	18/6
Renewal of temporary licence granted to Air Call Communications Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services	6 months	19/6
Renewal of temporary licence granted to British Telecommunications plc to run land mobile earth stations	6 months	20/6

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Class licence for the running of Fixed-link Radio Alarm Systems	12 years	20/6
Class licence to run Broadcast Relay Systems	1 year	22/6
Temporary licence granted to Conoco (UK) Ltd to run a mobile radio telecommunications system	1 year	22/6
Renewal of temporary licence granted to CBS News Inc to run telecommunication systems to receive messages from earth orbiting apparatus	6 months	22/6
Licence granted to Uplink Ltd to run telecommunication systems for the provision of satellite telecommunication services	6 months	25/6
Renewal of temporary licence granted to Zycall Ltd to run telecommunication systems for the provision private mobile radio telecommunication services in the East Midlands	6 months	26/6
Renewal of temporary licence granted to RT Radiophones Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services in Lincolnshire, Humberside and Yorkshire	6 months	26/6
Temporary licence granted to Liverpool Health Authority to run a mobile radio telecommunications system	1 year	27/6
Licence granted to Sapphire Ltd to run cable systems in the Chalkhill Estate, Brent area	Indefinite	29/6
Licence granted to Sapphire Ltd to run cable systems in the Palmers Court, Stonebridge Estate, London NW10 area	Indefinite	29/6
Licence granted to Sapphire Ltd to run cable systems in the Taylors Lane, Brent area	Indefinite	29/6
Licence granted to Sapphire Ltd to run cable systems in the St Raphaels Estate, Brent area	Indefinite	29/6
Licence granted to Sapphire Ltd to run cable systems in the Barbot Close, Enfield area	Indefinite	29/6
Renewal of temporary licence granted to the British Waterways Board to run a mobile radio telecommunications system	1 year	30/6
Renewal of temporary licence granted to Brightstar Communications Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	2/7
Temporary licence granted to Conoco Ltd to run a mobile radio telecommunications system	1 year	6/7
Renewal of temporary licence granted to Phillips Petroleum Company (UK) Ltd	1 year	11/7
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Alexandra National House, London N4 area	Indefinite	16/7

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Alma House, Napoleon Road, London E5 area	Indefinite	16/7
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Lower Clapton, London E5 area	Indefinite	16/7
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Sutton Estate, Cale Street, London SW7 area	Indefinite	16/7
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Nisbet House, Homerton High Street, London E9 area	Indefinite	16/7
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Webb Estate, Clapton Common, London E5 area	Indefinite	16/7
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Pownall Road, London E8 area	Indefinite	16/7
Licence granted to Dancon Ltd to run cable systems in the Elsinore Gardens, Barnet, London area	Indefinite	16/7
Licence granted to Broadcast Satellite Television Ltd to run cable systems in the Sittingbourne area	Indefinite	16/7
Licence granted to Broadcast Satellite Television Ltd to run cable systems in the Herne Bay area	Indefinite	16/7
Renewal of licence granted to Independent Television News Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	19/7
Renewal of Class licence for the running of portable apparatus connected to short range radio telecommunication systems (Phonopoint Ltd systems)	6 months	19/7
Renewal of Class licence for the running of portable apparatus connected to short range radio telecommunication systems (Ferranti Creditphone Ltd systems)	6 months	19/7
Licence granted to British Cable Services Ltd to run cable systems in the Haverfordwest, Preseli area	Indefinite	20/7
Licence granted to British Cable Services Ltd to run cable systems in the Neyland, Preseli area	Indefinite	20/7
Licence granted to British Cable Services Ltd to run cable systems in the Gilwern, Gwent area	Indefinite	20/7
Licence granted to British Cable Services Ltd to run cable systems in the Rhymney, Gwent area	Indefinite	20/7
Licence granted to British Cable Services Ltd to run cable systems in the Monmouth, Gwent area	Indefinite	20/7

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Renewal of licence granted to Phonepoint Ltd for the running of telecommunication systems providing short range radio telecommunication services	6 months	23/7
Renewal of licence granted to Ferranti Creditphone Ltd for the running of telecommunication systems providing short range radio telecommunication services	6 months	23/7
Licence granted to Sapphire Ltd to run cable systems in the Wesley Close and Osmond Close, Harrow, Middlesex area	Indefinite	25/7
Licence granted to Sapphire Ltd to run cable systems in the Roxeth, South Harrow, Middlesex area	Indefinite	25/7
Licence granted to Sapphire Ltd to run cable systems in the Rayners Lane, Harrow, Middlesex area	Indefinite	25/7
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Kingsmead Way, London E9 area	Indefinite	25/7
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Dunwood Park, Crompton, Oldham area	Indefinite	25/7
Renewal of temporary licence granted to National Mobile Radio Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services within that area bounded by the M25 motorway	6 months	25/7
Renewal of temporary licence granted to National Mobile Radio Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services in Birmingham, Rugby, Great Malvern and the surrounding area	6 months	25/7
Renewal of temporary licence granted to National Mobile Radio Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services in the Manchester and Merseyside areas	6 months	25/7
Licence granted to British Aerospace Communications Ltd for the running of Inmarsat A terminals	3 months	27/7
Licence granted to Sapphire Ltd to run cable systems in the Palmers Road, Enfield, Middlesex area	Indefinite	30/7
Licence granted to Sapphire Ltd to run cable systems in the Cumberland Road, Enfield, Middlesex area	Indefinite	30/7
Licence granted to Broadcast Satellite Television Ltd to run cable systems in the Burnley area	Indefinite	30/7
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Wearhead Row, Eccles New Road, Manchester area	Indefinite	30/7

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Northwold, London E5 area	Indefinite	30/7
Renewal of temporary licence granted to the British Railways Board	1 year	1/8
Licence granted to Broadcast Satellite Television Ltd to run cable systems in the Nottingham area	Indefinite	6/8
Licence granted to Broadcast Satellite Television Ltd to run cable systems in the Lancaster area	Indefinite	6/8
Licence granted to Broadcast Satellite Television Ltd to run cable systems in the Medway Towns area	Indefinite	6/8
Licence granted to Broadcast Satellite Television Ltd to run cable systems in the Rotherham area	Indefinite	6/8
Licence granted to Broadcast Satellite Television Ltd to run cable systems in the Kingston upon Hull area	Indefinite	6/8
Temporary licence granted to Scottish Hydro-Electric plc	1 year	7/8
Renewal of licence granted to Worldwide Television News Corporation for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	7/8
Renewal of temporary licence granted to London Band III Network Co Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services within that area bounded by the M25 motorway	6 months	8/8
Temporary licence granted to Southend-on-Sea Borough Council to run a mobile radio telecommunications system	1 year	15/8
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Dalgarno Gardens, North Kensington area	Indefinite	17/8
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Wenlock Street, London N1 area	Indefinite	17/8
Licence granted to Broadcast Satellite Television Ltd to run cable systems in The Wirral area	Indefinite	17/8
Licence granted to Broadcast Satellite Television Ltd to run cable systems in the Isle of Thanet area	Indefinite	17/8
Licence granted to Broadcast Satellite Television Ltd to run cable systems in the Southampton area	Indefinite	17/8
Renewal of temporary licence granted to the City of Stoke-on-Trent Council to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	20/8
Licence granted to Polytechnic South West to transmit certain messages to earth orbiting apparatus	1 year	21/8

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Muir Road, London E5 area	Indefinite	24/8
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Fellows Court, Weymouth Terrace, London E2 area	Indefinite	24/8
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Bannister House, Homerton High Street, London E9 area	Indefinite	24/8
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Catherwood Court, Murray Grove, London N1 area	Indefinite	24/8
Licence granted to Television International Ltd to run cable systems in the Bath Hill Court, Bournemouth area	Indefinite	24/8
Licence granted to Television International Ltd to run cable systems in the Keverstone Court, Manor Road, Bournemouth area	Indefinite	28/8
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Tunbridge Wells, Kent area	Indefinite	28/8
Licence granted to West Midlands Cable Communications Ltd to run cable systems in the Westley Street, Dudley, West Midlands area	Indefinite	28/8
Licence granted to West Midlands Cable Communications Ltd to run cable systems in the High Meadows, Compton, Wolverhampton Southview area	Indefinite	28/8
Licence granted to West Midlands Cable Communications Ltd to run cable systems in the Hollies Drive, Wednesbury area	Indefinite	28/8
Temporary licence granted to the Western Isles Islands Council to run a mobile radio telecommunications system	1 year	31/8
Renewal of licence granted to Satellite Information Services Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	2/9
Licence granted to Calumet Residents Ltd to run cable systems in the Calumet, Beaconsfield area	Indefinite	3/9
Licence granted to John Sulwyn Evans to run cable systems in the Blaenau Ffestiniog area	Indefinite	3/9
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Lewes, Sussex area	Indefinite	3/9
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Tonbridge, Kent area	Indefinite	3/9
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Leek, Staffordshire area	Indefinite	3/9

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Renewal of licence granted to British Aerospace Communications Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	5/9
Licence granted to Kingston Communications (Hull) plc to run telecommunication systems for the provision of satellite telecommunication services	6 months	6/9
Renewal of licence granted to the British Broadcasting Corporation for the running of outside broadcast links	6 months	9/9
Licence granted to London Radio Networks to run telecommunication systems for the provision of private mobile radio telecommunication services within that area bounded by the M25 motorway	6 months	10/9
Renewal of licence granted to Scansat Broadcasting Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	14/9
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Ammanford, Dyfed area	Indefinite	14/9
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Afan Valley area	Indefinite	14/9
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Cwmgors (Amman Valley) area	Indefinite	14/9
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Abergavenny, Gwent area	Indefinite	14/9
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Brecon, Gwent area	Indefinite	14/9
Licence granted to Comment Cablevision North East Partnership to run cable systems in the Gateshead, Tyneside area	3 years	14/9
Renewal of temporary licence granted to Kingston Communications (Hull) plc to run telecommunication systems for the provision of private mobile radio telecommunication services in the Humberside area	6 months	14/9
Renewal of licence granted to Staffordshire Housing Association Ltd to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	19/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Whitehawk Estate, Brighton area	Indefinite	20/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Heston Grange, Middlesex area	Indefinite	20/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Spring Grove, Isleworth, Middlesex area	Indefinite	20/9

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Tiger Way, London E5 area	Indefinite	20/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Melville Court, Haining Close, Chiswick, London area	Indefinite	20/9
Renewal of licence granted to Central Independent Television plc for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	21/9
Renewal of temporary licence granted to the Metropolitan Borough of Stockport to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	21/9
Renewal of temporary licence granted to North East Derbyshire District Council to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	21/9
Renewal of licence granted to the Science & Engineering Research Council	1 year	22/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in Golden Lane Estate, Islington, London area	Indefinite	24/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Burnaston House, Monteagle Way, London E5 area	Indefinite	24/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Bletchley Court, Wenlock Street, London E5 area	Indefinite	24/9
Licence granted to A Thompson Relay Ltd to run cable systems in the Dalry, Ayrshire area	Indefinite	24/9
Licence granted to Stephen King and Margaret Nicholson trading as Telstar Services to run cable systems in the Quaperlake Street, Bruton, Somerset area	Indefinite	26/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Nolan Way, London E5 area	Indefinite	26/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Lordship Terrace, London N16 area	Indefinite	26/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Weller Drive, Northwood Hills, Hillingdon area	Indefinite	26/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Hoxton, London N1 area	Indefinite	26/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Tresco Spinney, Abbey Manor Park, Yeovil area	Indefinite	27/9

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Fishergate, Portslade-by-Sea, Sussex area	Indefinite	27/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Flockton Court, Sheffield area	Indefinite	27/9
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Calvay Road, Glasgow area	Indefinite	27/9
Licence granted to Regalian Homes Ltd to run cable systems in the Oyster Quay, Hants area	Indefinite	27/9
Renewal of temporary licence granted to the Borough of Newcastle-under-Lyme to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	1/10
Renewal of temporary licence granted to Trak-Sat Communications Ltd for the running of land mobile earth stations	6 months	2/10
Renewal of temporary licence granted to the Ffestiniog Railway Company	1 year	2/10
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Dalmarnock, Glasgow area	Indefinite	4/10
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Main Street, Glasgow area	Indefinite	4/10
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Greenhead Street, Glasgow area	Indefinite	4/10
Licence granted to Westminster Cable Company Limited to run cable systems in the Hyatt Carlton Tower Hotel, Cadogan Place, London SW1 area	Indefinite	4/10
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Cadoxton, West Glamorgan area	Indefinite	4/10
Renewal of temporary licence granted to the Borough of Crewe and Nantwich to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	6 months	11/10
Renewal of licence granted to Yorkshire Television Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	17/10
Renewal of temporary licence granted to National Mobile Radio Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services in the Edinburgh, Glasgow and Aberdeen areas	6 months	17/10
Temporary licence granted to the Highland Regional Council to run a mobile radio telecommunications system	1 year	18/10
Temporary licence granted to the Highland Regional Council	1 year	18/10

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Temporary licence granted to Ross and Cromarty District Council to run a mobile radio telecommunications system	1 year	18/10
Temporary licence granted to Great Grimsby Borough Council to run a mobile radio telecommunications system	1 year	19/10
Temporary licence granted to Southampton and South Hampshire Health Authority to run a mobile radio telecommunications system	1 year	19/10
Temporary licence granted to Congleton Borough Council to run a mobile radio telecommunications system	1 year	19/10
Temporary licence granted to Alton Communication Engineers Ltd to run a telecommunications system for the provision of private mobile radio services	6 months	19/10
Licence granted to West Midlands Cable Communications Ltd to run cable systems in the Bermuda Mansions, Yew Tree Estate, West Bromwich area	Indefinite	23/10
Licence granted to West Midlands Cable Communications Ltd to run cable systems in the Brades Village, Oldbury, West Midlands area	Indefinite	23/10
Licence granted to West Midlands Cable Communications Ltd to run cable systems in the Thorneycroft Way, Yew Tree Estate, West Bromwich area	Indefinite	23/10
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Northampton area	Indefinite	25/10
Licence granted to Greenwich Satellite Ltd to run cable systems in the Davis Close, Winnersh, Wokingham area	Indefinite	25/10
Licence granted to the Electricity Association Member Companies	1 year	26/10
Renewal of licence granted to British Aerospace Communications Ltd for the running of Inmarsat A terminals	6 months	27/10
Renewal of temporary licence granted to Trans World Airlines to run a radio telecommunications system	1 year	31/10
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Basildon area	Indefinite	31/10
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Ashford, Kent area	Indefinite	31/10
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Bristol area	Indefinite	31/10
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Newbridge and Bargoed area	Indefinite	31/10
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Dover, Deal and Folkestone area	Indefinite	31/10

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Temporary licence granted to the Rover Group Ltd	1 year	31/10
Renewal of licence granted to Euromessage Ltd to run telecommunication systems for the provision of radiopaging services	6 months	31/10
Licence granted to RAC Motoring Services Ltd to run a mobile radio telecommunications system	6 months	1/11
Licence granted to Cablecom Cable Communications Ltd to run cable systems in the Abbey Street, Faversham area	Indefinite	2/11
Licence granted to Cablecom Investments Ltd to run cable systems in the Shepherds Grove, Suffolk area	Indefinite	2/11
Licence granted to Cablecom Investments Ltd to run cable systems in the RAF Wittering, Lincolnshire area	Indefinite	2/11
Licence granted to Cablecom Investments Ltd to run cable systems in the Lakenheath Village, Suffolk area	Indefinite	2/11
Licence granted to Cablecom Investments Ltd to run cable systems in the RAF Shotley, Suffolk area	Indefinite	2/11
Renewal of licence granted to British Aerospace Communications Ltd to run telecommunication systems for the provision of satellite telecommunication services	6 months	4/11
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Hatfield area	Indefinite	7/11
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Leicester area	Indefinite	7/11
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Stevenage area	Indefinite	7/11
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Maidstone area	Indefinite	7/11
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Reading area	Indefinite	7/11
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Hastings area	Indefinite	7/11
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Eastbourne area	Indefinite	7/11
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Oxford area	Indefinite	7/11
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Merthyr Tydfil area	Indefinite	7/11
Licence granted to Maxwell Cable TV Ltd to run cable systems in the Rhonnda and Pontypridd area	Indefinite	7/11

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Renewal of licence granted to Cable News International Inc for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	8/11
Renewal of licence granted to Eden District Council to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	1 year	9/11
Licence granted to British Pipeline Agency Ltd to run a mobile radio telecommunications system	1 year	10/11
Renewal of licence granted to Mercury Callpoint Ltd to run telecommunication systems for the provision of short range radio telecommunication services	6 months	13/11
Renewal of Class licence for the running of portable apparatus connected to short range radio telecommunication systems (Mercury Callpoint systems)	6 months	13/11
Renewal of licence granted to Satellite Information Services Ltd to run telecommunication systems for the provision of satellite telecommunication services	6 months	17/11
Licence granted to MultiChannel Television (49) Ltd to run cable systems in the Norwich area	Indefinite	20/11
Licence granted to MultiChannel Television (15) Ltd to run cable systems in the Middlesborough area	Indefinite	20/11
Licence granted to MultiChannel Television (15) Ltd to run cable systems in the Barrow-in-Furness area	Indefinite	20/11
Licence granted to MultiChannel Television (49) Ltd to run cable systems in the Plymouth area	Indefinite	20/11
Licence granted to MultiChannel Television (49) Ltd to run cable systems in the Stoke-on-Trent area	Indefinite	20/11
Licence granted to Television International Ltd to run cable systems in the Henry Road, Oxford area	Indefinite	21/11
Licence granted to Television International Ltd to run cable systems in the Newbury House, Gillingham area	Indefinite	21/11
Licence granted to Sapphire Ltd to run cable systems in the Enfield Wash, Enfield, London area	Indefinite	21/11
Licence granted to Sapphire Ltd to run cable systems in the Pottery Road, Brentford area	Indefinite	21/11
Licence granted to Cablecom Cable Communications Ltd to run cable systems in the Brook Street, Tonbridge area	Indefinite	21/11

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Licence granted to West Midlands Cable Communications Ltd to run cable systems in the St Johns House and Coldwell House, West Bromwich area	Indefinite	21/11
Renewal of licence granted to British Aerospace Communications Ltd to run telecommunication systems for the provision of satellite telecommunications services	6 months	22/11
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Phoenix Place, Dartford area	Indefinite	22/11
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Bohemia, Hemel Hempstead area	Indefinite	22/11
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Eccles New Road, Salford area	Indefinite	22/11
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Ten Butts Crescent, Stafford area	Indefinite	22/11
Renewal of licence granted to BYPS Communications Ltd for the running of telecommunication systems providing short range radio telecommunication services	6 months	23/11
Renewal of Class licence for the running of portable apparatus connected to short range radio telecommunication systems (BYPS Communications Ltd systems)	6 months	23/11
Licence granted to MultiChannel Television (15) Ltd to run cable systems in the Billingham and Stockton area	Indefinite	30/11
Licence granted to MultiChannel Television (49) Ltd to run cable systems in the Gateshead area	Indefinite	30/11
Licence granted to MultiChannel Television (49) Ltd to run cable systems in the Newcastle area	Indefinite	30/11
Licence granted to MultiChannel Television (49) Ltd to run cable systems in the Exeter area	Indefinite	30/11
Licence granted to MultiChannel Television (49) Ltd to run cable systems in the Mansfield area	Indefinite	30/11
Renewal of licence granted to the British Railways Board to run a mobile radio telecommunications system	1 year	30/11
Licence granted to East Sussex County Council to run a mobile radio telecommunications system	1 year	3/12
Renewal of licence granted to the British Broadcasting Corporation for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	5/12

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Renewal of licence granted to TV-AM plc for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	5/12
Temporary licence granted to Clwyd County Council to run a mobile radio telecommunications system	1 year	5/12
Renewal of licence granted to W H Smith Television for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	6/12
Licence granted to West Midlands Cable Communications Ltd to run cable systems in the Borough Crescent, Oldbury area	Indefinite	7/12
Licence granted to West Midlands Cable Communications Ltd to run cable systems in the Glover Street, West Bromwich area	Indefinite	7/12
Licence granted to West Midlands Cable Communications Ltd to run cable systems in the Brettell Lane, Dudley area	Indefinite	7/12
Licence granted to West Midlands Cable Communications Ltd to run cable systems in the Woolaston Court and Jarvis Court, Walsall area	Indefinite	7/12
Licence granted to Millicom Satellite TV Services (UK) Ltd to run cable systems in the Hutton Drive, Linthouse, Glasgow area	Indefinite	7/12
Renewal of licence granted to the British Broadcasting Corporation for the running of Inmarsat A terminals	6 months	8/12
Renewal of temporary licence granted to BP Exploration	1 year	11/12
Renewal of licence granted to Satellite Information Services Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	12/12
Renewal of licence granted to Stafford Borough Council to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	1 year	13/12
Renewal of licence granted to TVI Ltd for the running of telecommunication systems to receive messages from earth orbiting apparatus	6 months	13/12
Licence granted to Pageboy (London Paging) Ltd to run telecommunication systems for the provision of radiopaging services within 30 miles of Westley House, Trinity Avenue, Bush Hill Park, Enfield EN1 1HP2	5 years	13/12
Licence granted to Bromford Corinthia Housing Association Ltd to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	1 year	13/12
Licence granted to MultiChannel Television (15) Ltd to run cable systems in the Rotherham area	Indefinite	18/12

<i>Title</i>	<i>Period</i>	<i>Date of issue</i>
Licence granted to MultiChannel Television (49) Ltd to run cable systems in the Southampton area	Indefinite	18/12
Licence granted to MultiChannel Television (15) Ltd to run cable systems in the area of the Wirral	Indefinite	18/12
Licence granted to MultiChannel Television (49) Ltd to run cable systems in the Burnley area	Indefinite	18/12
Licence granted to MultiChannel Television (49) Ltd to run cable systems in the Brighton and Hove area	Indefinite	18/12
Licence granted to Oxford City Council to run telecommunication systems for the purpose of providing assistance to elderly and infirm people in an emergency	1 year	18/12
Renewal of licence granted to Air Call Communications Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services	6 months	18/12
Licence granted to National Transcommunications Ltd to run telecommunication systems for the provision of television and radio transmission systems	25 years	20/12
Licence granted to the British Broadcasting Corporation to run telecommunication systems for the provision of television and radio transmission services	7 years	20/12
Renewal of licence granted to CBS News Inc to run telecommunication systems to receive messages from earth orbiting apparatus	6 months	21/12
Renewal of temporary licence granted to RT Radiophones Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services in Lincolnshire, Humberside and Yorkshire	6 months	21/12
Renewal of temporary licence granted to Zycall Ltd to run telecommunication systems for the provision of private mobile radio telecommunication services in the East Midlands	6 months	21/12
Renewal of licence granted to Uplink Ltd to run telecommunication systems for the provision of satellite telecommunication services	6 months	24/12
Temporary licence granted to the City of Glasgow	1 year	28/12
Class licence to run Sound Broadcasting Systems	25 years	31/12
Class licence to run Community Television Relay Systems	25 years	31/12

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Broadband cable operators licensed as PTOs under section 7 of the Telecommunications Act 1984 during 1990

<i>Cable operator</i>	<i>Franchise area</i>	<i>Period</i>	<i>Date licensed</i>
United Cable Television (London South) plc	Merton and Sutton	15 years	23/1*
Norwich Cablevision Ltd	Norwich	15 years	19/2
Videotron London Ltd	Greenwich and Lewisham	15 years	15/3
Peterborough Cablevision Ltd	Peterborough	15 years	2/4
Cable Haringey Ltd	Haringey	23 years	4/4
Bolton Telecable Ltd	Bolton	15 years	4/4
Diamond Cable (Nottingham) Ltd	Nottingham	23 years	17/4
Videotron London Ltd	Wandsworth	15 years	1/5
Videotron London Ltd	Lambeth and Southwark	15 years	1/5
United Artists Communications (London South) plc	Richmond and Kingston	15 years	8/5
Cable and Satellite Television Holdings Ltd	West Glamorgan	15 years	18/5
East-Coast Cable Ltd	Ipswich and Colchester	15 years	7/6
Mid-Downs Cable Ltd	Crawley, Horley and Gatwick	15 years	9/7
Cambridge Cable Ltd	Cambridge	23 years	13/7

* Incorrectly shown as 21.12.89 in the 1989 Annual Report.

<i>Cable operator</i>	<i>Franchise area</i>	<i>Period</i>	<i>Date licensed</i>
Devon Cablevision Ltd	South Devon	15 years	17/7
Herts Cable Ltd	West Herts	15 years	13/8
City Centre Communications Ltd	North-West London	15 years	31/8
Leicester Communications Ltd	Leicester and Loughborough	15 years	3/9
Derbyshire Cablevision Ltd	Derby	15 years	3/9
Cable Television Ltd	Northampton	15 years	4/9
Southdown Cablevision Ltd	Brighton, Hove and Worthing	15 years	28/9
Coastal Cablevision of Dorset Ltd	West Dorset	15 years	28/9
Jones Cable Group of South Hertfordshire	South Herts	15 years	15/10
Fenland Cablevision Ltd	Wisbech and March	15 years	29/10
York Telecommunications Complex Ltd	York	23 years	29/10
Harrogate Telecommunications Complex Ltd	Harrogate	23 years	29/10
Cable Hackney and Islington Ltd	Hackney and Islington	23 years	29/10
Cablevision Communications Co Ltd	Central Herts	23 years	29/10
Heartland Cablevision II (UK) Ltd	Nuneaton and Bedworth	15 years	31/10
South Yorkshire Cablevision Ltd	Doncaster and Rotherham	15 years	1/11
Cable Thames Valley Ltd	Thames Valley	15 years	2/11
Cable North (Forth District) Ltd	Falkirk and West Lothian	15 years	11/11
Cable Communications (Wigan) Ltd	Wigan	23 years	14/11
Cable Communications (Barnsley) Ltd	Barnsley	23 years	14/11
United Artists Communications (North Thames Estuary) Ltd	Thames Estuary North	15 years	14/11
Heartland Cablevision II (UK) Ltd	Rugby	15 years	21/11
Cable Enfield Ltd	Enfield	23 years	25/11
East London Telecommunications Ltd	Waltham Forest	15 years	29/11
Stort Valley Cable Ltd	Harlow, Bishop's Stortford, Stansted	15 years	29/11
United Artists Communications (South Thames Estuary) Ltd	Thames Estuary South	15 years	30/11

<i>Cable operator</i>	<i>Franchise area</i>	<i>Period</i>	<i>Date licensed</i>
Starside Network Ltd	South-East Kent	15 years	30/11
Cable Communications (Liverpool) Ltd	Liverpool North	23 years	30/11
Stafford Communications Ltd	Stafford	15 years	4/12
Telecable of Stockport Ltd	Stockport	15 years	8/12
Cable Communications (St Helen's) Ltd	St Helen's and Knowsley	23 years	8/12
Jones Cable Group of Leeds Ltd	Leeds	15 years	8/12
Staffordshire Cable Ltd	Stoke-on-Trent	15 years	19/12
Heartland Cablevision (UK) Ltd	Stratford, Warwick, Leamington, Kenilworth	15 years	19/12
Sheffield Cable Media Ltd	Sheffield	23 years	19/12
Telecable of Macclesfield Ltd	Macclesfield and Wilmslow	15 years	19/12
British Cable Services Ltd	Cardiff	23 years	19/12
General Cable Ltd	Bradford	23 years	19/12
Kirklees Cable	Huddersfield and Dewsbury	23 years	20/12
Cablevision (Scotland) plc	Edinburgh	15 years	20/12



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OFTEL publications in 1990

The following publications were issued by OFTEL (unless otherwise stated). They are available free of charge except where a price is given. All OFTEL publications can be obtained from OFTEL's Library (tel: 071-822 1665). The OFTEL reference number is shown in brackets where appropriate.

GENERAL

A Guide to the Office of Telecommunications. *Updated edition* (30/90)

International Telephony: Simple Resale and Control of Prices. *Director General's Advice to the Secretary of State* (21/90)

Domestic Telephone Prices. *A Statement by the Director General of Telecommunications*

BT's September 1990 Price Changes. *A Statement by the Director General of Telecommunications*

BT's Latest Price Changes. *OFTEL Information Sheet no 2*

The Advisory Committee on Telecommunications for Small Businesses (BACT). *Updated edition* (12/90)

The Advisory Committee on Telecommunications for Disabled and Elderly People (DIEL). *Updated edition* (13/90)

DIEL Information Pack. *Pack of 15 leaflets* (20/90)

OFTEL Library and the Public Register (16/90)

Competition and Choice: Telecommunications Policy for the 1990s. *A consultative document* Published by HMSO (Cmd 1303). £8.80

Logically Separate Telecommunication Systems. *A Statement by the Director General of Telecommunications*

CONSUMER

A Consumer Guide to Telephones and Services (10/90)

A Guide to Cellular Radio. *Updated edition* (14/90)

Does Your Business Need a New Telephone System? *New edition* (25/90)

Telephone Service in 1990. *A Report by the Director General of Telecommunications* (29/90)

Itemised Billing and the Confidentiality of Counselling Services

Unsolicited Sales Calls: How to Stop Them. *OFTEL Information Sheet no 4*

TECHNICAL

Code of Practice for the Design of Private Telecommunications Networks. *New advisory edition* (looseleaf and bound editions)

Developments in Approvals for Telecommunications Terminal Apparatus

Approval of PTO Meter Systems. *First Report from the British Approvals Board for Telecommunications* (BABT)

Research into the Acoustic Coupling of Telephone Receivers and Hearing Aids. *A Report from the Working Group for the Hearing Impaired* (17/90)

Updates (A series of technical fact sheets)

Transfer of Evaluation Authority to the British Approvals Board for Telecommunications (BABT) (SA37)

Approval of Apparatus for Connection to Digitally-Presented Public Telecommunications Systems (SA38)

International VADS Arrangement between UK and Japan (VADS3)

Temporary Scheme for Site-Specific Approval to Allow Connection of Private Networks to the PSTN (SA39)

Telephones in Lifts: Arrangements for the Hearing Impaired (BSGL6)

Approval of Cable, Wire and Wiring Accessories (SA40)

PBX Consoles for Visually Handicapped Telephonists (VHTs) (SA41)

Digital Private Network Signalling System 1 (DPNSS1) (SA42)

NCOP: Termination of Temporary Scheme for Site-Specific Approvals to Allow Connection of Private Networks to the PSTN (SA43)

Reductions in Type Approval Requirements for PBXs Connected to DDI and non-DDI Analogue Exchange Lines (SA44)

General Approval for the Connection of Asynchronous Data Character Terminals to Certain Telecommunications Systems (SA45)

Developments in Approvals for Telecommunications Terminal Apparatus (SA46)

Advisory Code of Practice for the Design of Private Telecommunications Networks (NCOP) (SA47)

ECONOMICS AND STATISTICS

Statistical Note no 1 International Comparisons of Telephone Charges. *Updated edition*

Statistical Note no 2 Monitoring the Telephone Bill of a 'Typical' Residential Customer. *Updated edition*

NEWSLETTERS

OFTEL News Quarterly newsletter

Newsline Series of information sheets sent to local Telecommunications Advisory Committees (TACs)

OFTEL News and the Update series are circulated, free of charge, through OFTEL's mailing list. Telephone 071-822 1519 (OFTEL's Press Office) for more details or to be added to the list.



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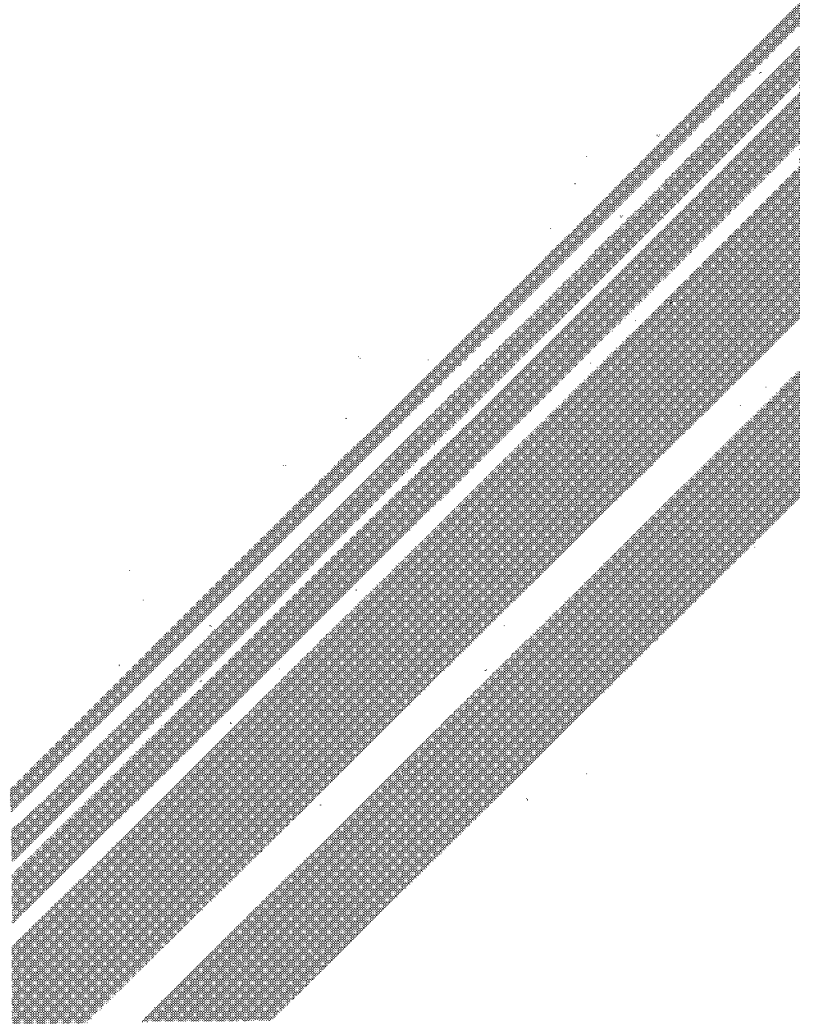
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