

Guide to NGN Changes

Background

In an effort to improve price transparency and strengthen consumer protection, Ofcom are in the process of changing the way inbound numbering works. These changes will mostly affect 0870, 0845 and 0871 numbers, and the introduction of a new 03* number range.

This will have a significant impact on businesses currently using, or considering NGN numbers.

Changes to 08* Numbers

0870

Calls to 0870 numbers were traditionally around 8ppm dependent on the caller's 'National Non Geographic' call charge. Owners of these numbers would typically receive a rebate for every call to these numbers.

The Ofcom consultation found there was customer confusion regarding the cost of calling the 0870 range and a high profile public campaign 'say no to 0870' created negative publicity around this number range.

From Spring 2009 calls to 0870 will be charged at the same rate as calls to national 01, 02 numbers. Owners of 0870 numbers will no longer receive a rebate, but will have to pay for receiving the call.

0871

0871 will become regulated by Phonepay Plus (formerly Icostis) and will have additional regulations applied in the way the number can be advertised, call charges published etc. The requirements will be announced around the same time as the 0870 changes are implemented. Phonepay Plus will advise of the exact requirements.

0845

Ofcom have announced a review of 0845 charges once the 0870 regulations are in force.

Summary of 08* Numbers

Number type	Today	Spring 09
0800	Free to call – owner of the number pays the cost of the call	No change
0845	Lo-Call Rate* (Typically around 4ppm)	No change but will be subject to an Ofcom review
0844	Up to 5ppm dependent on chargeband	No change. Revenue share is available dependent on chargeband
0870	National NGN rate* (Typically around 8ppm)	Cost to call will be the same as calling national geographic numbers. Owner will pay to receive call
0871	Up to 10ppm* dependent on chargeband	Rebate remains available but the number will become Phonepay Plus regulated

* Lo call rates vary per provider

* 0844 and 0871 charges vary dependent on chargeband

Key Points

0870 costs changing

0871 regulated by Phonepay Plus

0845 consultation to begin

New 03* number range introduced

New 03 Number Ranges

The new 03* number range is designed to provide consumer certainty and consistent pricing whilst maintaining the functionality, flexibility and UK wide presence of Non Geographic Numbers. Calls to 03* numbers will cost the same as calls to 01, 02 numbers (even from mobile phones), and the recipient of the call will have to pay to receive the call.

03* numbers are available to all UK companies but Ofcom have created a 030* range which is reserved specifically for public bodies and not for profit organisations. To see if your organisation qualifies for this range please visit:
http://www.ofcom.org.uk/telecoms/ioi/numbers/030_guidance/030_v2/

Summary of Charges

Number range	Cost to call	Cost to receive
030*	National rate	Pay to receive call
03*	National rate	Pay to receive call

Time to change from 0870?

If you currently utilise 0870 numbers you may want to consider changing your strategy in light of the new regulations and there are many alternatives and opportunities for a new Non Geographic Number strategy. We've highlighted some of the options here, but it's important to select the right option, dependent on how you use your NGN services. Please contact your Swains accredited channel partner for further advice.

Option 1 Retain current 0870 numbers

After Spring 2009 you will lose any revenue share payments and start receiving a pence per minute charge for your incoming calls. Your numbers, however, will be unaffected, with no costs for rebranding.

Benefits: No rebranding costs, possible increased confidence if the change to pricing is communicated effectively.

Option 2 Change to an alternative NGN number and retain revenue share

By moving to a 0844, or 0871 number range a revenue share payment can be maintained. However, there are key considerations for each:

Key considerations of moving to a 0844 number

Having a lower cost to call (up to 5ppm), these will fare better in the public perception and a revenue share can be retained.

The cost of publishing new number on stationery, vehicles etc needs to be considered.

Key considerations of moving to a 0871 number

An increased call cost (up to 10ppm) allows for a larger ongoing revenue share than 0870. The key consideration here is how the number will be regulated by Phonepay Plus. Likely to be part of this will be a much tighter regulation around how the number is advertised, and will become considered more of a premium rate service.

The cost of publishing new number on stationery, vehicles etc also needs to be considered.

Option 3 Change to an alternative NGN number and lose revenue share

Key considerations of moving to a freephone number

Freephone numbers encourage callers to contact your organisation and are particularly useful for sales and enquiry lines.

Cost of receiving calls is higher than other numbers.

The cost of publishing new number on stationery, vehicles etc also needs to be considered.

Key considerations of moving to the New 03 range

Many large UK institutions are moving to 03* number ranges so public perception and awareness of the range will quickly increase.

03* numbers should be included in mobile phone inclusive minute bundles.

Cost of receiving calls needs to be considered.

The cost of publishing new number on stationery, vehicles etc also needs to be considered.

Option 4 Change to an alternative service

Swains Virtual Number enables customers to select a geographic number from any UK range and point the inbound calls to anywhere in the UK, i.e. customer in Leicester (01162) can promote a Norwich (01603) number range.

Ideal for targeted localised marketing campaigning, or providing companies with a national presence.

Cost of receiving calls can be free when the site is using Swains IP Services or there is a pence per minute (ppm) charge for delivering calls to traditional telephony.

Cost of publishing number on stationery, vehicles etc also needs to be considered.

Further Information

For further information or advice please contact your local Swains Accredited Channel Partner.