

Revenue



Cáin agus Custaim na hÉireann
Irish Tax and Customs

Non-Geographic Numbers (NGNs)

Revenue Submission to ComReg

12th Oct 2017

Introduction

Revenue welcomes the opportunity to respond to the Commission for Communications Regulation (ComReg) on the review of Non-Geographic Numbers (NGNs).

The survey results outlined in the Consultation document are very interesting and highlight the confusion, frustration and lack of transparency being experienced by customers of NGN services.

Revenue operates a range of 1890 services to support our large and diverse customer base. This includes approximately 2.6 million PAYE taxpayers and 900,000 business/self-employed customers with the numbers growing steadily. The initial services were implemented in 2005 for PAYE customers and employer queries and our range of services has extended since then to cover other services such as Local Property Tax and Customs (see appendix A).

While many of our customers are availing of our online services, successive customer surveys carried out by us have shown that the phone is still a preferred channel of choice for many of our customers. This is due to the diverse customer base and the complex nature of tax and Customs queries. Customers call us to understand their compliance obligations and to claim their entitlements and the 1890 service is a critically important element in the provision of quality customer service countrywide.

Revenue handled almost 2.5m 1890 calls in 2016¹ and the average duration of calls is between 6 and 10 minutes depending on the call complexity. These calls related directly to the assessment, collection and payment of Gross Exchequer receipts of some €65.6bn and to refunds of over €17bn made to customers. The service we provide on 1890 is not only critical to the proper administration of tax and Customs but ultimately to the proper functioning of all public services in the State.

The introduction of lo-call numbers for customers was based on the sound principle of guaranteeing fairness and preventing large bills arising for customers calling Revenue from every part of the country. This is an essential element in minimising customer compliance costs and in providing a fair and accessible public service, both of which are key components of Government public policy.

Revenue is very concerned that as the telephone market and telephone technology has evolved, large segments of our customer base are now encountering additional, significant expense by using our 1890 services in order to get the help and support required to enable them comply with their tax and duty obligations. These costs have resulted in many complaints and dissatisfaction amongst our customers. Revenue shares these legitimate concerns and appreciates the opportunity to input to the debate on addressing the charging structure for these specific NGNs.

As well as 1890 forming a key part of our Customer Engagement Strategy the necessary availability, scalability and operational flexibility afforded by 1890 are not currently achievable using any other telephony mechanism. 1890 provides a single contact number for customers and is a de facto

¹ Revenue Annual Report 2016

standard for call centres/customer service operations reducing technical complexity, confusion and advertising issues.

This Revenue submission will address each of the questions raised in the consultation document on non-geographic numbers prepared by ComReg dated 16th August 2017.

The following Revenue officials are available for any further follow-up required or to clarify any information as part of this consultation process;

Business/Customer Service issues - Ms. Kathleen Redmond, 01-4244211 (kredmond@revenue.ie),

ICT/Technical issues - Mr. Vincent Duffy, 01-8972957 (vinduffy@revenue.ie).

Do you agree with ComReg's proposal to introduce the 'Geo-linked' NGN measure by replacing the current retail tariff General Authorisation conditions for '1850', '1890', '0818' and '076' NGNs with a new 'Geo-linked' retail tariff General Authorisation condition of use?

Revenue is fully supportive of the proposal to implement 'Geo-linked' NGN replacing the current retail tariff for '1850', '1890', '0818' and '076' NGNs.

Revenue set up 1890 services in 2005, in good faith as a low call option for customers. These services allow customers to contact Revenue and receive assistance to help them comply with their tax obligations and claim their entitlements. Our aim is to keep compliance costs to a minimum.

Revenue requires a LoCall 1890 service or similar to be treated as a truly LoCall service for our customers by all Telco operators. Revenue is of the view that Telco operators should add 1890 based services to the standard bundles or treat such numbers as a specific type of local/national call to allow existing bundles to make use of these services. Therefore Revenue fully agrees that the retail charge that should apply to a caller for calling any of these NGN numbers [1850/1890/0818/076] at a particular point in time shall not exceed the retail charge that would apply to that same caller for calling a Geographic Number at that same point in time.

It is also preferable that the same flat rate charge per call to apply to calls from mobiles and landlines.

This proposal meets this Revenue requirement and will minimise compliance costs on customers.

1. Do you agree with ComReg's proposal to withdraw the '1850', '1890' and '076' NGNs following a 2 – 3 year transitional period?

Revenue is not convinced that this is a necessary step if the issues above are addressed. While the proposal for a phased transition to a new number is achievable, it is Revenue's view that such a move will generate confusion, unnecessary contacts and marketing/cost challenges.

The main issue to be addressed in the context of NGNs is the customer cost issue. Once this is resolved there is no major benefit for customers or service providers to undertake such a migration.

In the coming years, Revenue is planning an upgrade to the Session Initiation Protocol (SIP) on our inbound and outbound channels to/from the carriers. This is a more efficient cost effective method of delivering voice services to the organisation. This allows for the delivery of inbound calls via IP directly onto our network from the Telecoms cloud. It will also allow Revenue to advertise a geographic number which should allow standard mobile cost bundles to be used,

removing the current 1890 cost issue. This is on the assumption that the various operators do not regard such a service in the same vein as 1890 and regard the SIP number as a NGN. However, the impact of moving away from the 1890 service from a marketing, advertising and customer familiarity perspective needs to be further examined by Revenue.

From a marketing perspective, it would suit Revenue to be able to re-use the 1890 numbers for such a service.

2. Do you agree with ComReg's proposed NGN transparency measures?

Revenue fully supports much greater transparency for customers with regard to retail costs of using NGNs and views this as an essential output from this consultation process.

The implementation of the proposed 'Geo-linked' NGN to replace the current retail tariff will greatly simplify the transparency of cost model for many customers. Essentially, this approach will allow customers to no longer be concerned with the issue as their bundle will cover calls to NGNs seamlessly.

However, Revenue agrees that there will always be some customers that will need to pay out of bundle rates due to the nature of their bundle at a point in time e.g. no free minutes left. It is essential that the costs applicable to "out of bundle" calls should not exceed the retail charge for any "out-of-bundle" call to a Geographic Number made by that same caller.

Revenue is also of the view that a consistent pricing structure for "out of bundle" NGN calls across Telcos would be preferable and provide further clarity.

Revenue is against using the costs charged for NGNs as a product/service differentiator by Telcos.

There is another important point to make regarding Revenue's use of and reliance on the 1890 NGN. This is directly related to Section 4.2 of the consultation document dealing with the key findings from the Organisation Survey.

Aside from cost savings for customers, 1890 LoCall also provides some very important and critical capabilities to Revenue. These capabilities make any move away from 1890 or similar LoCall service problematic from an organisational perspective and would impact on Revenue's key role of providing a quality customer service.

- I. The numbers support a "virtual" call centre operation allowing extra support staff from Revenue offices throughout Ireland to be drawn-in to deal with any surges in demand. It provides a highly scalable and stable fixed line connection – this is not feasible with a normal dedicated number.

- II. Such services are also fully load balanced and provide intelligent call routing with no single point of failure – so inbound calls can be routed from any Exchange to either Revenue data centre and from there across our VoIP network to our customer agents. This level of resilience is not possible with a dedicated number. It is also possible to have multiple carriers (Eircom, BT, Smart, etc.) providing the LoCall service again increasing resilience and availability.
- III. The service also provides a level of control to handle the inbound calls which enable a targeted response to demand, thereby improving the customer experience and customer service. It provides a single contact number for customers and is a de facto standard for call centres/customer service operations reducing technical complexity, confusion and advertising issues.
- IV. It helps reduce Revenue’s operational costs (Revenue receives volume discounts) and facilitates centralised billing.
- V. The service also provides the ability to measure response times and service levels. This is essential for management purposes and transparency of Revenue’s own service levels.

Appendix A - 1890 Telephone Services provided by Revenue

Service	1890 Number	Call Volumes 2016
BMW PAYE	1890 777 425	257,757
BMW Business Taxes	1890 216 216	37,397
Dublin PAYE	1890 333 425	494,653
Dublin Business Taxes	1890 236 336	60,388
ESE PAYE	1890 444 425	324,218
ESE Business Taxes	1890 240 424	49,197
SW PAYE	1890 222 425	249,782
SW Business Taxes	1890 368 378	36,349
Large Cases Division	1890 605 090	13,414
Collector General	1890 203 070	} 241,901
Credit/Debit Card Payment	1890 273 747	
Direct Debit Helpline	1890 338 448	
Collector General – TRS	1890 463 626	
Collector General – (Nenagh)	1890 666 333	
P35 (Nenagh)	1890 254 565	
VAT Repayments Registered	1890 252 625	
VAT Repayments Unregistered	1890 252 449	
ROS Helpdesk	1890 201 106	174,854
ROS Payments Support	1890 226 336	118,376
Customs Nenagh	1890 626 364	} 12,972
AEP/e-Customs Helpdesk	1890 204 304	
Central Repayments Office	1890 606 061	35,595
Stamp Duty - Dublin Castle	1890 482 582	12,393
National Excise Licence Office	1890 500 400	17,563
CAT Helpline	1890 201 104	Included in Business tax figures
LPT (Ennis)	1890 200 255	347,689
Forms and Leaflets	1890 306 706	19,055