



Commission for
Communications Regulation

Vodafone Overcharging

Vodafone agrees to pay ComReg €951,000 following investigation into overcharging of prepay mobile customers

Information Notice

Reference: ComReg 12/34

Date: 19/04/2012

Vodafone has today agreed to pay ComReg €951,000 following an investigation by ComReg into a discrepancy between prices published by Vodafone for calls to numbers in the 1520, 1580 and 1590 number ranges and the actual charges applied to customers.

ComReg concluded that the charges applied to Vodafone's prepay mobile customers for calls to 1520, 1580 and 1590 numbers had been 10 cents, 30 cents and 30 cents per minute higher than the published rates of €0.25, €2.99 and €3.69 per minute respectively during the period from December 2008 through to December 2011.

ComReg understands that this overcharging occurred through a failure of Vodafone's internal processes rather than by design and notes that Vodafone has cooperated fully with ComReg throughout the investigation. Vodafone has been able to identify the customers affected by this incident between December 2010 and December 2011 but the customer data for the two years prior to December 2010 is not available. The customers identified by Vodafone will receive a refund either by cheque or directly through phone credit, together with an additional payment or credit by way of compensation. The amount that will be rebated to those customers that made calls during the period for which detailed records are available is approximately €800,000, including compensation for inconvenience caused.

The majority of these payments will be automatic by way of credit applied to the customer's phone and will be made over the next few days.

ComReg notes that where customers receive calls offering a refund they should not divulge any bank details to the caller as this information will not be required by Vodafone. Any agent calling on behalf of Vodafone will not request such information.

Approximately 56,000 prepay mobile customers have been overcharged by Vodafone for calls to 1520, 1580 and 1590 numbers in the period from 1 December 2010 to 23 December 2011. In the case of around 54,000 of these customers, the amount overcharged is below €50. In approximately 1,200 cases the amount overcharged is between €50 and €100, in 850 cases, the amount overcharged is over €100 and in approximately 70 cases it is over €500.

The payment of €951,000 to ComReg is being made under Section 44 of the Communications Regulation Acts 2002 to 2011 and will in turn be passed on to the Exchequer by ComReg

As well as making this payment to ComReg, Vodafone has committed to an independent audit of its billing processes and to provide the results of this audit and any actions taken as a result of the audit to ComReg. In addition, for the next two years Vodafone will implement an internal governance process whereby ComReg will be formally advised of Vodafone's ongoing monitoring of the reconciliation of published prices and charges actually imposed on customers.