

for everyone

Consultation response form

Please complete this form in full and return via email to <u>ICSS.consultation@ofcom.org.uk</u> or by post to:

Kathryn Searle Ofcom Riverside House 2A Southwark Bridge Road London SE1 9HA

Consultation title	Review of the Premium Rate Services Condition: Consultation on extending the definition of Controlled Premium Rate Services to include all Information, Connection and Signposting Services
Full name	Mark Butler
Contact phone number	
Representing (delete as appropriate)	Organisation
Organisation name	Department for Work and Pensions
Email address	

Confidentiality

We ask for your contact details along with your response so that we can engage with you on this consultation. For further information about how Ofcom handles your personal information and your corresponding rights, see <u>Ofcom's General Privacy Statement</u>.

Your details: We will keep your contact number and email address confidential. Is there anything else you want to keep confidential? Delete as appropriate.	Nothing
Your response: Please indicate how much of your response you want to keep confidential. Delete as appropriate.	None
For confidential responses, can Ofcom publish a reference to the contents of your response?	N/A

Your response

Question	Your response
Question 1: Do you agree with our	Confidential – N
assessment of harm? Please give reasons.	DWP endorses Ofcom's assessment of harm. DWP would support the inclusion of all ICSS, irrespective of price point, in the 'Controlled' Premium Rate Services and subject to the regulation of the Phone-paid Services Authority (PSA).
	Research identified that an internet search for DWP telephone numbers will return the relevant DWP Gov.uk page as a top entry. However it will be followed by a variety of returns which include entries for ICSS companies offering advice and / or connection to DWP services.
	Analysis of a sample of ICSS services identified that information is inaccurate or out-of-date and the advice offered does not exist as the calls are just routed to DWP with no other intervention. The combination of ICSS call charges and unclear information presents risk of unnecessary financial costs to vulnerable customer groups that can least afford it.
	When ringing a random sample of ICSS 084 and 087 numbers advertising access to DWP services, one of two outcomes were identified:
	a) Calls immediately routed to a genuine DWP telephone number; or
	 b) Calls not routed to a DWP number and seemingly placed into a non DWP call queue of unspecified length with no answer.
	Both outcomes relate to and add further support to Ofcom's concerns, as detailed in para 4.7 of the consultation document.
	The primary concern is that DWP customers are highly likely to be unaware of costs associated with accessing services via ICSS and the potential harm this does to those who are amongst the most vulnerable citizens.
	The costs for accessing ICSS services include those costs levied by phone operators / providers and this is usually the majority of the total cost of calls. Phone provider/operator calls are not included within call package minutes and as such are charged at a rate significantly above the rates of the ICSS providers. Publicising call provider costs is not a current requirement for ICSS providers and as such these significant costs are essentially hidden from users of ICSS services.
	Customer correspondence to DWP's Customer Resolution Teams (CRTs) has included complaints about call costs. There are also Parliamentary Questions about the operation of DWP's customer phone

lines and unexpected call charges to customers, although these have reduced since the introduction of the freephone access for all DWP phone lines.

DWP does not have access to external supplier data which would enable them to accurately calculate the scale of the ICSS impact on customers. Evidence that customers have been affected from both a wellbeing and financial perspective is taken from the small proportion of customers who complain to DWP. Details from complaints make it clear that the impact on customers is not purely financial; customers felt misdirected and deceived at a time when they were vulnerable.

DWP has previously identified and provided specific examples of ICSS numbers / websites about which customers, having suffered 'bill shock', have complained. Some of these ICSS phone numbers continue to be highlighted in customer complaints and reports to DWP teams.

As mentioned above in instances of customer 'bill shock', a substantial element of the cost that contributes to the harm is the portion of the call charge that goes to the phone service provider. This element of the cost is largely un-regulated, invisible and often not consistent with the costs charged by the phone service provides if numbers are called directly.

As part of the changes to the regulation of ICSS services included in this current consultation we would seek to understand the extent that the full cost of calls should be shown in any information provided. This would present potential callers with the total cost impact of using ICSS services.

Although not part of the current scope for consultation we would also like to explore the opportunities for;

- A better and more consistent approach to call charges from phone service providers for services accessed through ICSS providers. At present a call to a freephone number is free, yet if accessed through ICSS it attracts a significant charge as well as the provider receiving the same revenue from the freephone service provider as if the call was made direct.
- How regulations could be applied where internet search returns are for unrelated services to those searched for *e.g.* payday loans when requesting a DWP service telephone number, including where these unrelated services are accessed through premium rate numbers.
- Requirements for ICSS calls to include an accurate and identifiable Call Line Identifier that would enable organisations to clearly identify calls routed through ICSS to inform learning no improving both access to its services and customer service

Question 2: Do you	Confidential – N
agree with the proposals for reform? If not, please give reasons.	DWP agrees with and fully supports Ofcom's reform proposals. DWP's view is that there is evidence of harm to vulnerable customer groups, some of whom are amongst the most vulnerable citizens in society.
	Following analysis of samples from both 084 and 087 ICSS number ranges we agree that the risk of harm is likely to be common across all ICSS, irrespective of the number range being utilised.
	DWP concurs that bringing all ICSS into the definition of Controlled PRS (in the PRS Condition) and subject to the PSA code is a proportionate and appropriate response to the level of harm identified.
	After consideration of the current reform proposals, DWP continues to be interested in exploring additional opportunities to reduce the potential harm or call costs to the most vulnerable members of society. This could include;
	 Working with call package service providers to remove / reduce (or include in the 'free minutes' element of call packages) the call connection charges that are a significant element of the cost of a calls made through ICSS. Requirements for ICSS calls to include the accurate Call Line Identifier that would enable organisations to clearly identify calls routed through ICSS and enable organisations to further improve direct to their services. Regulation of non-ICSS services, which return adverts for alternative services that are not linked to the search criteria of a DWP telephone number and that are at odds to DWP services and their intent. Recent examples include: Pay day loan company websites listed after a Google search which included 'Jobcentre' in the search criteria; and Companies advertising national insurance number applications services. Companies are charging for services which DWP provide for free and some claim (erroneously) to have access to a fast-track service.
Question 3: Do you agree with our proposal of a four week implementation period? Please give reasons.	Confidential – N DWP fully supports the proposed reforms and would like to see such measures implemented as soon as possible. There is evidence that customers are being affected from both wellbeing and financial perspectives by using ICSS services. DWP teams receive enquiries and complaints from customers who have experienced 'bill shock' following connection to DWP services via ICSS numbers / websites, so progressing changes as soon as possible will be a step

further in reducing the impact on vulnerable customers.

DWP would also completely support activity that informs consumers of the ICSS regulatory changes once the consultation has concluded and an Ofcom's decision is made. We would also be happy to work together with PSA and other organisations to understand how any follow up action to enforce and assure compliance to the regulations can be implemented in a proactive manner and not require customer complaints to be the driver for action.

DWP would also be keen to understand how the effect of regulatory changes will be measured. For example, will the PSA conduct ongoing research after the implementation period?

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