

Consultation response form

Please complete this form in full and return via email to ICSS.consultation@ofcom.org.uk 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	Alan Partington
Representing (delete as appropriate)	Organisation
Organisation name	Telecom2 Ltd

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 [Ofcom's General Privacy Statement](#).

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?	Yes / No

Your response

Question	Your response
<p>Question 1: Do you agree with our assessment of harm? Please give reasons.</p>	<p>Confidential? – N</p> <p>This question was split into four parts, our response follows the same format:</p> <p>a) the potential for serious consumer harm as consumers are being misled into using ICSS services leading to financial harm and bill shock as well as emotional distress;</p> <p>There is no evidence of material numbers of consumers being misled into using ICSS services. In many cases, since organisations were compelled to move customer services contact numbers away from NGCS to 03 or geographic numbers many of the contact numbers, even those of public services, have been buried within web sites and difficult to find. ICSS providers do the research and provide connection to customer services that consumers, particularly those who have difficulty using the internet, would otherwise find it extremely difficult to communicate with.</p> <p>The real cause of financial harm and bill shock and the consequent emotional distress is the access charges raised by the caller's phone service providers. The Access charges can be up to, and often are, around 90% of the retail billed charge, particularly in the case of the number ranges OFCOM seeks to have included in the definition of controlled PRS. OFCOM's expectation was that market forces would drive access charges down but the reverse happened, lower access charges were increased to match the higher charges. We see from customer queries that access charges are now a major component in the majority of cases of bill shock.</p>

**b)
specific risks to vulnerable consumers as some
ICSS providers target public service helplines;**

ICSS providers tend to target numbers that are not easy to find, regardless of whether they are public service or commercial organisations. To this extent, ICSS services actually assist vulnerable consumers who may not have the ability or will to research the customer services number for the organisations they need to contact.


Most Terminating CPs and Service Providers will offer refunds of the Service Charges to vulnerable customers who didn't want to dial an ICSS. Consumer's Phone Service providers are not always as willing to assist vulnerable consumers but some will.

**c)
risks to the reputation and operation of both
public and commercial organisations as
consumers may blame the organisation to
whom the calls are being put through to for
any financial and emotional harm suffered.
This can also cause damage to the operation of
these organisations as they spend time,
money and resource attempting to combat
this reputational harm; and**

We have seen no evidence of this actually happening to a material degree. We viewed a number of forums, the vast majority of credible posts on the forums were concerned with the charges themselves and people had already established the identity of the Terminating CP and/or the Service Provider. Many organisations are overly sensitive to potential damage to their reputations and tend to exaggerate the effect of these services.

**d)
the potential risk that, the way in which ICSS is**

	<p>being used leads to consumer trust and confidence in PRS being undermined, resulting in consequent damage to the PRS sector as a whole.</p> <p>This is only a potential risk and not one that we believe is an actual risk.</p> <p>The biggest risk to the reputation of PRS services, particularly the lower value PRS, is the Access Charges raised by Consumer’s Phone Service Providers. In general, these charges are not easily found on Phone Service Providers web sites, nor are they separately identified on invoices, leading the consumers to think that the adverts are misleading. An advert will say that a call costs 5p per minute but the charge raised by the Phone Service Provider could be 60p per minute. While the promotion will say “plus your service providers access charge” it wouldn’t be reasonable for a normal consumer to expect that charge to be ten times the charge for the service.</p>
<p>Question 2: Do you agree with the proposals for reform? If not, please give reasons.</p>	<p>Confidential? – N</p> <p>The proposed reform is, in itself, a small change for many service providers but, for the reasons stated above, it won’t bring about the benefits OFCOM expects and will increase service provider’s costs in terms of the PSA levy and maintaining compliance.</p> <p>Many SPs will need to retain compliance consultants to ensure that their promotion is and remains compliant with the ICSS Special Conditions.</p>
<p>Question 3: Do you agree with our proposal of a four week implementation period? Please give reasons.</p>	<p>Confidential? – N</p> <p>Four weeks is no long enough to implement</p>



the proposed reform. Service providers will have to obtain compliance advice. They then have to redesign their web sites and other promotion accordingly, implement the changes and then review their promotion to ensure that the changes have taken effect. There is only a limited number of reliable compliance consultants who will not be able to do the work and issue guidance to a number of service providers in time to meet a four week deadline.

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