

**NOTES OF THE ILP MEETING NO. 46th HELD ON
TUESDAY 21st JULY 2015**

Present:

Ann Cook – ITV (Chair)
Cathy Gerosa - FCS
Hugh Griffiths – PP+ Board and Mobile Services
Rory Maguire – AIME
Andrew Pinder - Chair of PhonepayPlus
Steve Ricketts – PP+ Board
Jeremy Stafford Smith – Vodafone

PhonepayPlus

Joanne Prowse (Chief Executive)
Peter Barker
Mark Collins
Jonathan Levack
Peter Morton
Mike Pemberton
Simon Towler
Stephanie Ratcliffe (minutes)

Guest Speaker

Nick Lane from MobileSquared

Apologies

Andrew Pinder – PPP (Chair)
Gavin Daykin - Ofcom
Kevin Butcher - BBC
Suzanne Gillies – Action 4

Industry Liaison Panel – Ongoing Actions Log

Meeting/ Action number	Description	Owner	Status
45.2b	ILP Way Forward: industry members proactively promote their membership on the ILP and seek feedback to ensure the industry is properly represented at ILP meetings. Feedback to be sent to Joanne Prowse.	ILP Members	ONGOING
45.3b	The protocol on instigating the rapid response team (RRT) to be agreed and published. Draft in place (circulated to ILP members) and being discussed and agreed. Final version to be circulated to ILP. List of relevant members of expertise to be held with PhonepayPlus (S Towler).	R Maguire S Towler	ONGOING
45.4c	Operational report: provide an update at 21 st July meeting on rapid response team progress on competition services, in relation to managing complaint volumes. AIME to provide assistance. Research is ongoing on best ways to obtain appropriate data information for analysis.	M Pemberton R Maguire	ONGOING
45.5a	Online child protection presentation by Dr. V Nash: circulate slides and consider possible ways of co-regulation with industry to improve and implement protective measures. The Executive requested comments on the discussion paper on vulnerability, circulated to the ILP, are fed back by end September.	ILP Members J Levack	CLOSED NEW
45.5b	Volunteers to come forward with topics to present at future ILP meetings. Part of future agendas.	ILP Members	ONGOING
46.3a	FCS - finalise PPP guidance; provide Cathy Gerosa with contact details of the cyber security team at DCMS; consider whether CiSP may be able to assist with the prevention of cyber attacks and provide Cathy Gerosa with further details on cyber information. Circulate presentation slides to ILP.	M Collins S Towler R Maguire S Ratcliffe	NEW CLOSED
46.4e	RRT – update on progress provide at next meeting.	J Stafford Smith/S Towler	NEW
46.5b	Invite a representative from the charity sector to present at the next ILP meeting and a representative from the Competition and Markets Authority (CMA) to attend a future meeting.	S Towler	NEW

1.0 WELCOME, INTRODUCTIONS

Ann Cook was welcomed as new Chair of the ILP and thanks were conveyed to the previous Chair, Graham Pottie, for his Chairmanship and contribution over the previous years. Ann Cook welcomed representatives to the meeting and advised that, going forward, networking lunches will take place, after ILP meetings, to encourage information sharing and further discussion of key topics. She also reiterated this was a two way relationship and members should e-mail her if they want subjects raised. The other promise she would make is that she would endeavour to keep the meetings to time! Introductions were made to Peter Barker, who joins PhonepayPlus as Director of Corporate Services and Operations. Apologies were noted.

2.0 REVIEW AND ACTIONS

a) Minutes and Matters arising from the minutes of the ILP meeting held on 12th May 2015.

The minutes of the ILP meeting held on 12th May 2015 were approved as an accurate record of the meeting.

Outstanding actions were updated accordingly.

3.0 ILP MEMBER UPDATE

a) Sector Update: FCS

Cathy Gerosa presented a detailed background and update on FCS and PRS and explained the activities planned for 2016 and ongoing work taking place on policy standards and products. The following points and recommendations were made:

- FCS Billing group oversees the development of the CDRs (with v3 going live in July) and accommodates changes brought about by NGCS requirements;
- FCS Fraud group ongoing work was presented with emphasis on the need to ensure people understand where responsibilities lie;
- FCS Mark of Excellence was launched in March and includes SIP starter Fraud Mitigation and future projects such as porting, switching, pricing info and ADR.
- Issues the FCS are facing since the NGCS implementation were discussed. It was noted that further work is underway to finalise PhonepayPlus' guidance.

(Action: M Collins/G Gerosa)

- Provide Cathy Gerosa with contact details of the cyber security team at DCMS, to assist with protection around computer security.

(Action: S Towler)

- Consider whether CiSP can assist with the prevention of cyber attacks and provide Cathy Gerosa with details on cyber information.

(Action: R Maguire)

The Chair thanked Cathy Gerosa for the insightful presentation and requested the presentation slides are circulated to the members.

(Action: S Ratcliffe)

b) Rotation of next meetings

The next ILP meeting agenda was discussed and the Chair requested volunteers come forward with future topics to present. Jeremy Stafford Smith and Rory Maguire volunteered to provide an overview of the PayforIt scheme v5, inclusive of its processes and rules. The Chair thanked them and confirmed that they would be included in the next meeting agenda. The Chair also stated that others should volunteer moving forward.

4.0 PHONEPAYPLUS UPDATE

a) Phonebrain – winning entry

The ILP were presented with three films from the winning finalists from the Phonebrain Competition, held on 14th July at BFI Southbank. The films are to be used as internet safety resources for schools and aim to improve children and parents' awareness of app charges as well as prevent 'bill payers shock'. PhonepayPlus partnered with e-safety charity Childnet for their annual Film Competition, sponsoring the PhoneBrain category.

The ILP commended the three films and the Executive said that any further support the ILP could provide in order to promote Phonebrain and its objectives, would be gratefully received.

b) PPP Chair recruitment

The ILP noted that a Nominations Committee has been set up to manage the recruitment process for the position of a new Chair of PPP. A recommendation to the Board will take place shortly, with approval from Ofcom then sought and an announcement expected in August. The Executive and ILP members thanked the current Chairman, Andrew Pinder, for his hard work and contribution over the years and wished him well for the future.

c) Code 13 and Guidance and Special Conditions Implementation

Simon Towler confirmed the new Code was published on 1st July, relevant guidance has been reviewed and is published on the PhonepayPlus website. The ILP noted that the new special conditions regime does not currently include higher rate PRS following feedback during the consultation.

The ILP noted the grace period on the technical implementation of spending caps and in-call reminders. The Executive will be asking for ILP input into the review of Guidance Phase 2 which will be underway later in the year.

d) Part 4 Review update

Simon Towler advised the ILP that the PhonepayPlus project board team are refining a set of recommendations to go to the Board for approval. Consultation on the preferred option will then take place with Ofcom. Full stakeholder consultation is due for publication at the end of September/early October and the development of associated procedures will then follow.

A pre consultation industry seminar is being held on the 22nd July. Following consultation the usual approval process will take place with Ofcom and then notification to Europe with a new Code 14 expected to be in place by mid 2016.

The ILP noted the update and welcomed the Part 4 review of the Code.

e) Rapid Response Team update: Competition Services

The ILP noted that the RRT has been set up to address and examine key issues as they emerge in the market place or as a threat is perceived and to ensure these issues are dealt with effectively and efficiently.

Meetings have taken place to discuss issues round the high volume of complaints generated by online competition and adult services including representation from PhonepayPlus, AIME, the Payfort Management Group and L1 providers. A PhonepayPlus compliance update has been issued and PhonepayPlus are following up with compliance advice for relevant providers on their services. The challenge for the RRT lies in acquiring the right level of data to be able to make correct analyses and in ensuring the right level of expertise is available to tackle specific solutions.

Jeremy Stafford Smith presented a range of PFI flows in development for consultation. It is intended that feedback on proposals, to deliver a locked down version 5 of Payfort, will be required by the end August, with implementation on the 1st September.

The ILP noted the proposals for Focus Group Research into Charging Awareness put forward by AIME. An update on work undertaken by the RRT will be provided at the next meeting. He also asked for the words 'Bill shock' to be replaced by 'Bill Payers shock' to accurately reflect the situation.

f) Operational quarterly report and emerging trends

Mike Pemberton presented the operational quarterly report to the ILP for 2015-16 Quarter 1 and informed the ILP that the key headline was the high volume of complaints around online competition services.

The ILP noted the update and that any queries on the report should be fed back to Mike Pemberton.

5.0 FOCUS

a) Annual Market Review 2014 and market outlook for 2015

Nick Lane from MobileSquared gave a presentation on the PRS Annual Market Review commissioned by PhonepayPlus. The research sized the market in 2014 by sector and provided a forecast for 2015. He illustrated the changing market as a result of technological developments, the rapid rise in smart phone ownership, better coverage of higher speed mobile internet and changing consumer behaviour.

The following points and opportunities for future growth were noted:

- PRS market decline is expected to continue to fall;
- Future opportunities include the 3 Gs '*Giving, Gaming, Gambling*', Apps and mobile payments;
- PayforIt is potentially becoming the "brand" for operator billing restricted to the PRS sector;
- Perceived non-compliance explains the loss of 46% of users per month, whilst cost, service relevance and alternative content-related issues are affecting the remaining 54%;
- PRS pricing requires realignment based on changing market dynamics, technology, and consumer behaviour.

The Chair thanked Nick Lane for the interesting presentation.

b) Review and agree topics for next meeting

The Chair recommended further insightful industry presentations take place at future ILP meetings examples being charity, mobile security and other regulators. The ILP agreed to have a 'Focus on...' the charity sector at the next meeting and recommended a representative from the Competition and Markets Authority is also invited to a future meeting.

(Action: S Towler)

The Chair requested volunteers come forward with topics to present at the next ILP meeting. It was agreed that items for the next meeting will include the PayforIt scheme and an update on the Rapid Response Team. A BT representative will also be sought to replace Graham Pottie.

(Action: A Cook, J Prowse)

Rory Maguire from AIME thanked PPP for the excellent work on the website.

Rory Maguire congratulated Joanne Prowse for winning the AIME award for 'Outstanding Contribution to the Industry' and presented her with an award.

End of Minutes

ILP meetings in 2015 at PhonepayPlus Offices

- Monday 19th October 10-12.30noon including a networking lunch after the meeting.
- Thursday 10th December 2.30-4pm (Budget meeting only) including a networking lunch before the meeting at 1.30pm.