PhonepayPlus

Quarterly Operational Report

2015-2016 - Quarter 1

Publication data date: 09 July 2015

Introduction

PhonepayPlus is the organisation that regulates phone-paid services in the UK. As a strategic regulator PhonepayPlus strives to clearly define to its stakeholders the key regulatory outcomes it looks to achieve and commits to report regularly on measures and key performance indicators which best demonstrate PhonepayPlus' effectiveness in meeting these.

PhonepayPlus looks to achieve the following outcomes:

Healthy market - a trusted and healthy market that can innovate, grow and is compliant with our Code of Practice

Drivers

• The market attracts and retains new entrants
• Market participants thrive in the market
• Harm is dealt with appropriately, redress achieved and balance restored
• High levels of compliance in services specifically and the market overall
• PhonepayPlus regulation anticipates, understands and responds to market dynamics and business and commercial drivers

Consumer confidence - a market that informed consumers have trust and confidence in

Drivers

• Consumers understand how to use PRS services safely and appropriately
• Consumers receive the PRS services as expected
• PhonepayPlus is accessible to those consumers who are seeking redress
• Complainants are satisfied with the service and redress provided by PhonepayPlus

Cost effective and proportionate - a regulator that is capable, cost effective and has the confidence of stakeholders

Drivers

• Regulation is cost effective and makes best use of resources
• Regulation is proportionate, effective and fair
• Regulation is future proofed
• PhonepayPlus' internal capability is effective
• Stakeholders have confidence in the effectiveness and efficiency of the organisation

The following report provides information and metrics which look to track our progress and provide measures of success to judge our level of effectiveness in meeting our outcomes. The report is divided into four sections:

1. Market indicators
2. Key performance indicators
3. Management information
4. Tribunal information

This report is provided on a quarterly basis and is published on the PhonepayPlus website on or around the 15th of the month.

PhonepayPlus also periodically produces independent, external stakeholder and staff satisfaction surveys. The results of these surveys are considered an integral part of our key performance indicators providing a view from our key stakeholders on their satisfaction with the functions and services we provide, and our effectiveness as an employer in the view of our employees.

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EXECUTIVE SUMMARY

Market

The market size in terms of organisations registered on the Registration Scheme declined by 3% compared to Quarter 4, at 2,637 providers. The overall total of registered providers is down by 5% compared to the latest forecast.

Outpayments figures for Quarter 4 2014/15 have been updated for this report. The Payforit definition has expanded to include all Operator billing platforms from Q1, 2014/15. This category has been renamed 'Operator billing'. In addition, a new category of Voice Shortcodes has been created. These were previously included in the Mobile category and therefore Mobile is not directly comparable year on year. Quarter 4 has seen a decrease on the previous quarter (down 12%) with increases in 087 (4%) and Operator billing (6%). There are decreases in Mobile (-18%), Landline (-21%), DQ (-15%) and Voice Shortcode (-14%). Compared to Quarter 4 2013/14 there is an overall decrease of 7% (Mobile down 20%, Landline down 22%, DQ down 27%, 087 down 25% and Operator billing up 116%). Cumulative outpayments 2014/15 compared to cumulative outpayments 2013/14 (i.e. Q1, 2, 3 and 4) are showing a decrease of -3.7%.

Consumers

Overall consumer contacts (complaints plus enquiries) are up 44% from 11,871 in Quarter 4 to 17,104 in Quarter 1. On average year to date, 38% of contacts are enquiries and 62% complaints. Complaint volumes in Quarter 1 are 47% up on Quarter 4 (10,620 compared to 7,249 in the previous quarter). Compared to the previous financial year to date, complaint volumes have doubled. Despite the higher number of complaints received, only 20% of complaints in Quarter 1 required escalation to an enforcement track (Track 1 or Track 2) with the remainder being closed without the need for investigation or subject to ongoing monitoring. 71% of complaints in Quarter 1 relate to SMS mobile and 23% to Operator Billing. The key drivers of complaints, identified through our market issues function, continue to relate to weekly and monthly competition and quiz services and services of an adult nature. We have recently seen a number of new competition services that are heavily marketed and generating a significant volume of contacts/complaints. We have not, however, identified any misleading affiliate marketing associated with these services and consumers are informed accordingly. PhonepayPlus convened a meeting of the 'rapid response team' in June (comprising of PhonepayPlus, AIME, the MBG and the PayforIt Management Group) in an attempt to agree measures to reduce the volume of these complaints. Changes to competition services billed through Payforit have already been introduced by the Payforit Management Group. PhonepayPlus is talking to the key providers of competition services to ensure the requirements within the recent compliance update we published in early June are adhered to.

Contacts to the call centre totalled over 16,000 for the quarter with 46% of these answered within the 30 second target. We have updated our IVR messages to ensure consumers have contacted the provider of the service before coming to PhonepayPlus and that they have the required information such as the number responsible for billing them to ensure we can effectively assist with their query. This resulted in a drop in the number of calls coming through in late June and early July. Number checker remains a popular tool (averaging 115,000 checks per quarter) and with a healthy return rate on valid checks of over 85%.

Compliance

46% of cases and complaints are attributable to the top 15 non compliant services. 89% of compliance advice requests have been answered within five working days and 636 due diligence reports have been requested this quarter.

Enforcement

The majority of cases requiring investigation have been progressed through informal tracks (62%) with 38% through formal tracks this year. 93.3% of cases are with Level 2 providers, 4.44% Level 1 providers and 2.22% Network operators. Formal investigations on average are heard at Tribunal in 16 weeks (on target) this year (compared to 18 weeks in 2014/15). 9 cases this financial year have been heard by the Tribunal with the majority of (relevant) cases considered serious or above. 83% of breaches and 100% of Track 2 cases were upheld. The cumulative fine collection rate for the financial year to date is 34% adjusted and 34% non-adjusted which is due to non-payment of fines by two providers who are being vigorously pursued though our debt recovery procedures and a specialist agency.

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MARKET INDICATORS

Description of this section

This section provides information on the premium rate market. The metrics included in this section, unlike those elsewhere in the report, are not an indicator of PhonepayPlus' performance but rather a view on the activity of the external market which PhonepayPlus regulates. Such information is seen as vital in providing an overall context to the regulator's effectiveness. The section includes information on the size of the market in terms of revenue outpayments, the number and type of industry participants providing premium rate services registered on the PhonepayPlus Registration Scheme and trends on volumes of complaints received from consumers and number checks made on services by consumers and industry.

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Market size and composition
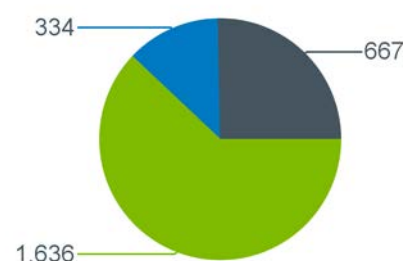
Number of registered organisations: **2,637**

Quarterly view

1.1 Number of new registrations

	10k exempt	Charity	Payable	Total
2015-2016 - Q1	126	45	73	244
2014-2015 - Q4	180	43	82	305
2014-2015 - Q3	171	44	64	279
2014-2015 - Q2	181	50	63	294

1.2 Registered organisations total (to date)

334
667
1,636

*See legend below

Annual view

1.3 Number of new registrations

- 10k exempt
- Charity
- Payable

First registration date

Comments

This market metric gives a view on whether the market size, in terms of organisations registered, is growing or declining. The number of registered organisations on the Registration Scheme declined by 3% (compared with Quarter 4 2014-15) and stands at 2,637 registrants with an average of 281 new registrants per quarter (over the past four quarters). The overall total of registered providers is 5% down compared to the latest forecasts. Total registrants are made up of 62% payable, 25% exempt due to revenue threshold and 13% charities.

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Quarterly view

1.4 Number of organisations leaving the PRS market compared to new registrations

	De-registered	Left the PRS market	Total left	New registrations	Net
2015-2016 - Q1	212	60	272	244	-28
2014-2015 - Q4	293	71	364	305	-59
2014-2015 - Q3	275	72	347	279	-68
2014-2015 - Q2	339	160	499	294	-205
Total	1,119	363	1,482	1,122	-360

Annual view

1.5 Net registrations per month

Registration / Leaving date

Comments

The net number of registrations (those joining the market minus those leaving the market) has been declining each quarter this year and in August, the peak renewal period, 113 registrants left the market (this is in comparison with 200 leaving in August 2013). The overall total of registered providers is 5% down on current forecasts.

The Quarter 1 de-registered figure is likely to increase over the course of the next quarter as organisations that do not renew have a 30 day window to do so.

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Quarterly view

1.6 Outpayments by sector

	087	Directory enquiries	Landline	Mobile	Operator billing	Voice Shortcode	Total
2014-2015 - Q4	10,459,741	16,119,591	15,554,388	37,278,207	22,581,168	3,697,445	105,690,540
2014-2015 - Q3	10,073,656	18,984,654	19,669,608	45,333,296	21,222,793	4,286,871	119,570,878
2014-2015 - Q2	13,384,387	20,236,123	18,206,288	41,003,510	15,378,135	3,880,839	112,089,282
2014-2015 - Q1	13,856,016	19,970,783	19,376,757	35,593,309	13,224,919	4,217,788	106,239,572
2013-2014 - Q4	13,859,575	22,019,487	19,955,467	46,892,791	10,446,984		113,174,304

1.7 Outpayments by sector
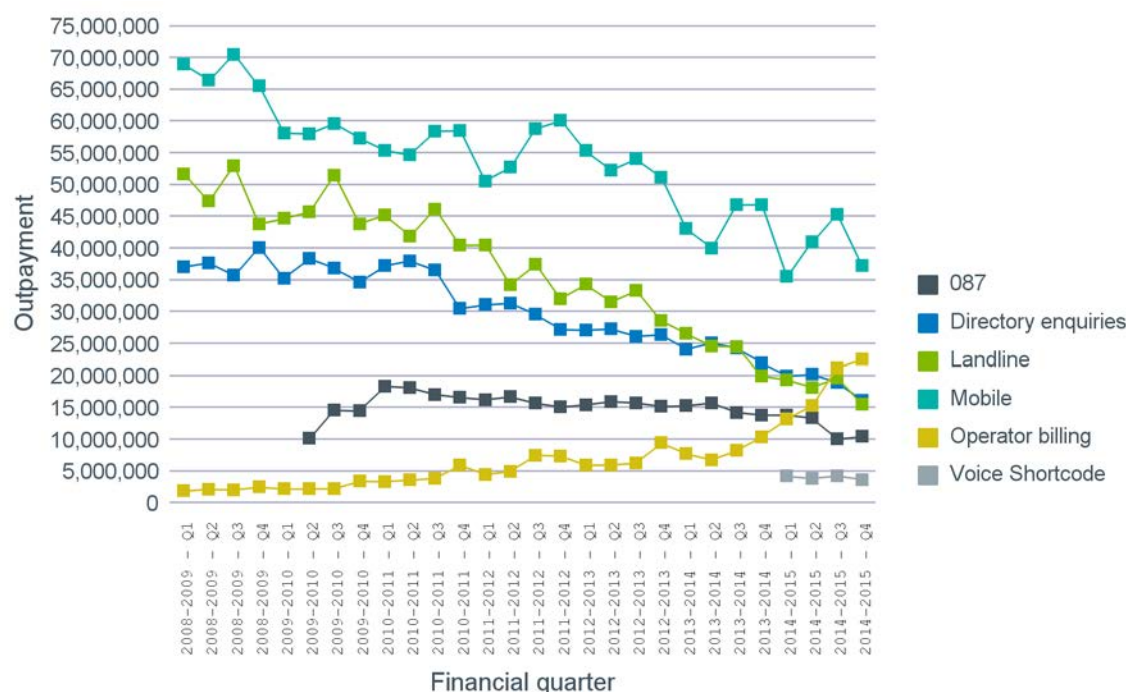
Comments

Outpayments figures for Quarter 4 2014/15 have been updated for this report. The Payforit definition has expanded to include all Operator billing platforms from Q1, 2014/15. This category has been renamed 'Operator billing'. In addition, a new category of Voice Shortcodes has been created. These were previously included in the Mobile category and therefore Mobile is not directly comparable year on year. Quarter 4 has seen a decrease on the previous quarter (down 12%) with increases in 087 (4%) and Operator billing (6%). There are decreases in Mobile (-18%), Landline (-21%), DQ (-15%) and Voice Shortcode (-14%). Compared to Quarter 4 2013/14 there is an overall decrease of 7% (Mobile down 20%, Landline down 22%, DQ down 27%, 087 down 25% and Operator billing up 118%). Cumulative outpayments 2014/15 compared to cumulative outpayments 2013/14 (i.e. Q1, 2, 3 and 4) are showing a decrease of -3.7%.

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Annual view

1.8 Outpayments by sector *

	Mobile	Landline	DQ	087	Voice Shortcode	Operator billing	Total
FY 2014-2015	159,208,322	72,807,041	75,311,151	47,773,800	16,082,943	72,407,015	443,590,272
FY 2013-2014	176,905,844	95,689,021	95,617,864	59,218,884		33,274,730	460,706,343
FY 2012-2013	212,884,919	127,863,110	107,022,378	62,439,519		27,704,566	537,914,492
FY 2011-2012	222,371,371	144,378,889	119,325,005	63,843,734		24,455,447	574,374,445
FY 2010-2011	227,115,647	173,877,266	142,379,680	70,262,751		16,864,696	630,500,040
FY 2009-2010	233,242,977	185,860,805	145,256,594	39,335,439		10,154,481	613,850,296

* *up on previous financial year*
    down on previous financial year

1.9 Outpayments by sector
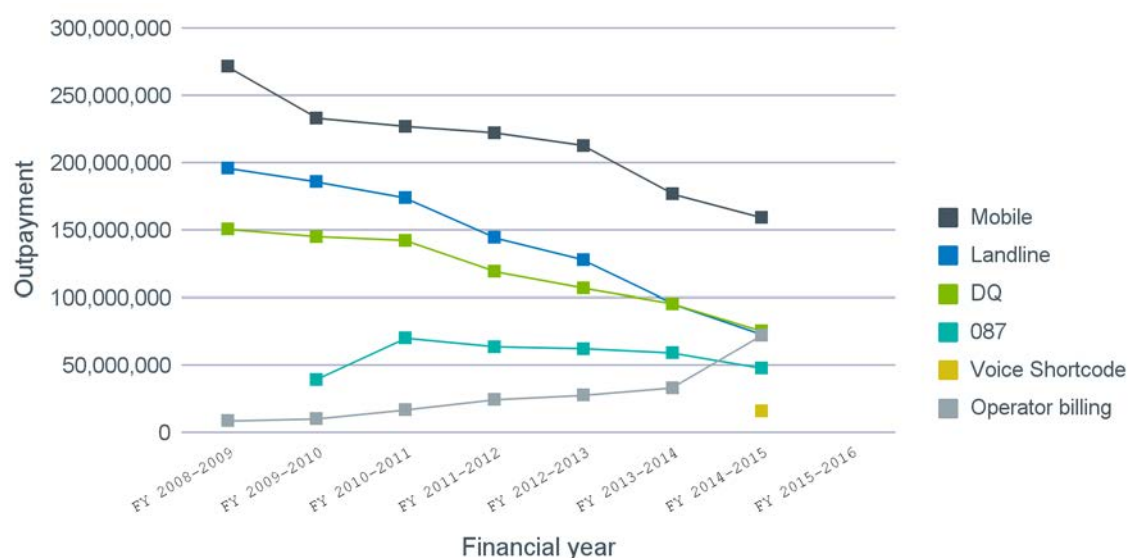
Comments

The financial year 2014-15 includes Quarter 4 figures.
Over the last financial year mobile outpayments decreased by 10% when compared to 2013-14.
(Please note: new categories, e.g. Voice Shortcode, have been created that were previously included in the Mobile category and therefore Mobile is not directly comparable year on year.) Landline has decreased by 24%, DQ by 21% and 087 by 19%. Operator billing (including Payforit) outpayments increased by 118%. Overall the market declined 3.7%.

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Complaint data

Monthly view

1.10 Number of complaints received

Period	Complaints	Change
2015-2016 - Q1	10,620	46.50%
2014-2015 - Q4	7,249	41.75%
2014-2015 - Q3	5,114	0.99%
2014-2015 - Q2	5,064	

Annual view

1.11 Complaint trends compared to previous financial year
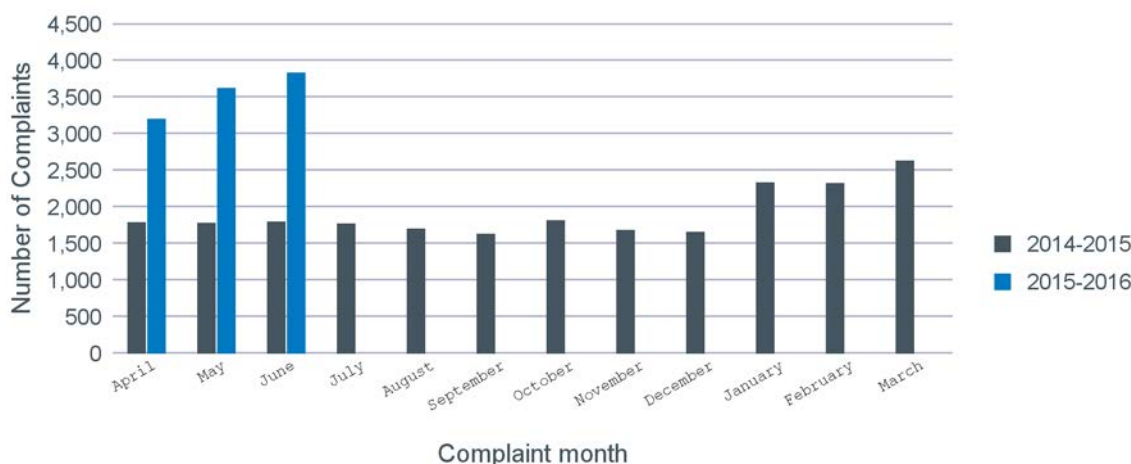
Rolling year	Complaints	Up / Down	Financial year to date	Complaints	Up / Down
July 2014 - June 2015	28,047	56.96%	2015-2016	10,620	99.55%
July 2013 - June 2014	17,869		2014-2015	5,322	

Comments

This market metric gives an indicator of overall regulatory effectiveness, consumer confidence and a view on market compliance and harm.

Overall consumer contacts (complaints plus enquiries) are up from 11,871 in Quarter 4 to 17,104 in Quarter 1. On average 65% of contacts are classified as complaints. Complaint volumes in Quarter 1 are 47% up on Quarter 4. Compared to the previous financial year to date, 2014-15 complaint volumes are up 100%, and 57% based on rolling year. The key drivers of complaints, identified through our market issues function, continue to relate to weekly and monthly competition and quiz services and services of an adult nature. We have recently seen a number of new competition services that are heavily marketed and generating a significant volume of contacts/complaints. We have not, however, identified any misleading affiliate marketing associated with these services and consumers are informed accordingly. PhonepayPlus convened a meeting of the 'rapid response team' in June (comprising of PhonepayPlus, AIME, the MBG and the PayforIt Management Group) in an attempt to agree measures to reduce the volume of these complaints. Changes to competition services billed through Payforit have already been introduced by the Payforit Management Group. PhonepayPlus is talking to the key providers of competition services to ensure the requirements within the recent compliance update we published in early June are adhered to.

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Quarterly view

1.12 Number of number checks

Period	Number checks	Up/Down	Valid
2015-2016 - Q1	129,190	-0.97%	69,331
2014-2015 - Q4	130,454	25.80%	72,332
2014-2015 - Q3	103,696	6.69%	60,741
2014-2015 - Q2	97,192		56,249

1.13 Quarterly number checks

Annual view

1.14 Success rate of valid number checks
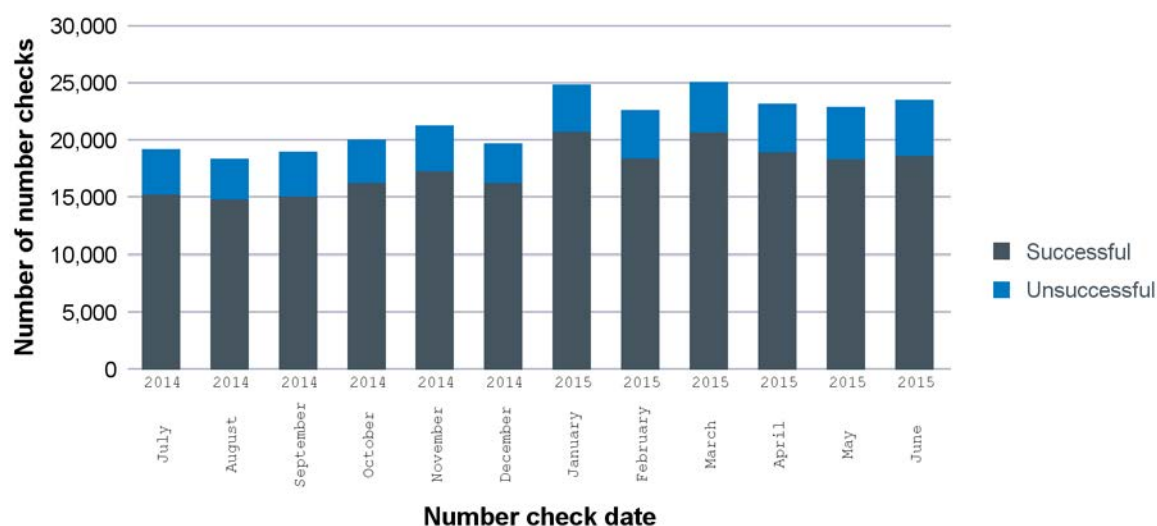
Comments

This market metric provides a measure of consumer engagement and an indicator of potential market harm. Numbers checked continues to average approximately 115,000 per quarter. Valid checks are those which return a recognised shortcode or 11-digit, fixed-line number and average 56% of the quarterly checks. The introduction of Captcha caused a slight decline in the number checks in Quarter 2 2014/15.

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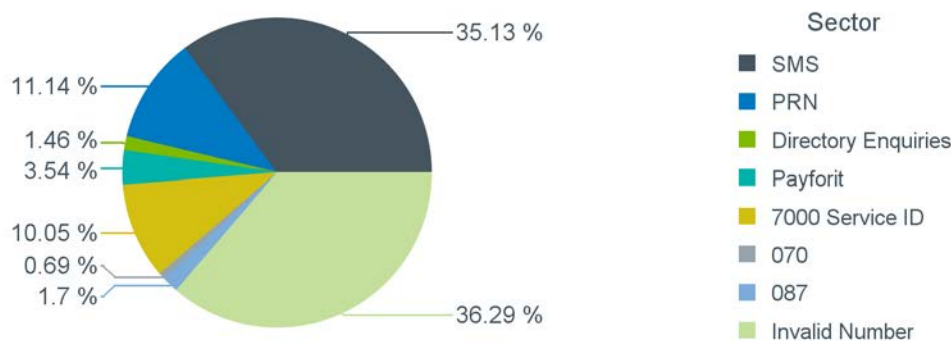
Annual View

Number checker success rate as percentages (financial year)

87.84 %
12.16 %

■ Successful
■ Unsuccessful

85.06 %
14.94 %

1.15 SMS success rate

1.16 PRN success rate

1.17 Number of number checks by sector (financial year)

35.13 %
11.14 %
1.46 %
3.54 %
10.05 %
0.69 %
1.7 %
36.29 %

Sector
■ SMS
■ PRN
■ Directory Enquiries
■ Payforit
■ 7000 Service ID
■ 070
■ 087
■ Invalid Number

Comments

The return rate for valid checks for SMS for the financial year to date is 88%. Fixed-line success rates on valid checks is 85%.

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KEY PERFORMANCE INDICATORS

Description of this section

This section details PhonepayPlus's performance against key indicators. These are measures which have been identified as providing the best means to judge our achievement against our stated outcomes. The KPIs look to provide a view on how we perform against the key drivers of activity. These key drivers include how effective we are in delivering on the objectives of the Code of Practice in due diligence, risk management and control, the level of integration of the enforcement strategy, our ability to anticipate future developments, the level of consumer awareness and satisfaction with our service provision and our cost efficiency and internal capability. The measures include the level and types of formal to informal investigations undertaken, the timeliness of these investigations, a view over time of repeating offenders, and trends on the collection rates of fines and administrative charges levied.

In addition to the KPIs included in this report, PhonepayPlus also produces independent, external stakeholder and staff satisfaction surveys on a bi-annual basis. The results of these surveys are considered an integral part of our key performance indicators providing a view from our key stakeholders on their satisfaction with the functions and services we provide, and our effectiveness as an employer in the view of our employees.
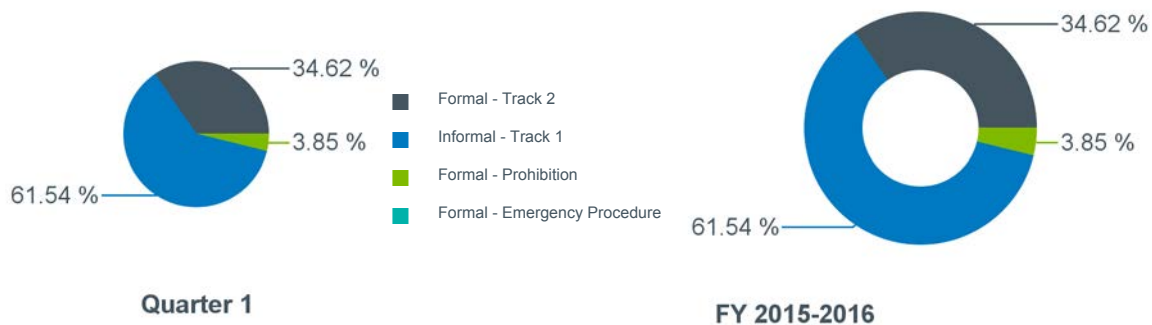
KEY PERFORMANCE INDICATORS

Investigation cases by resolution type

Quarterly view

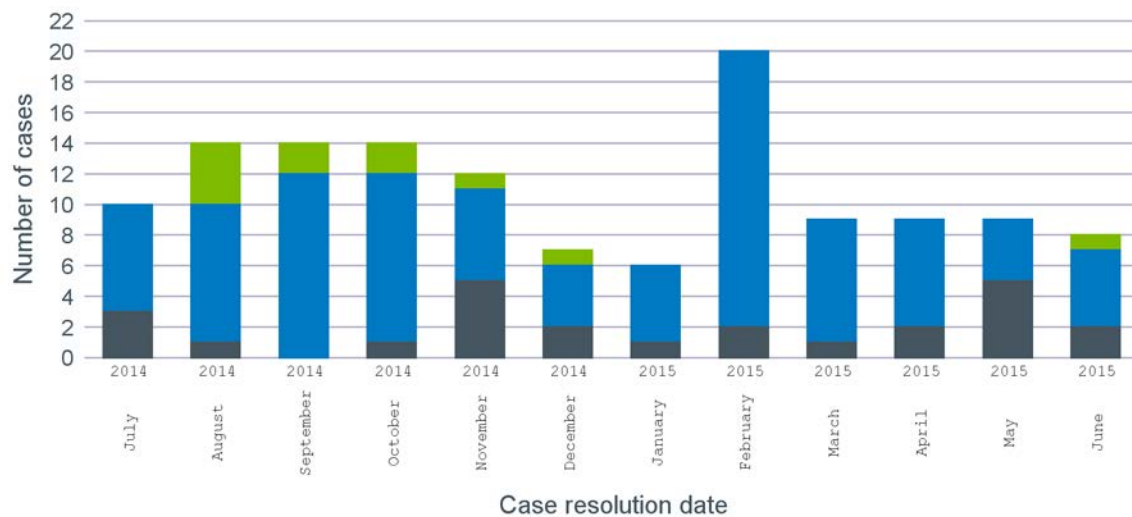**38.46%** of the cases were formal investigations in this quarter.

2.1 Enforcement action type by case

Legend:
- ■ Formal - Track 2
- ■ Informal - Track 1
- ■ Formal - Prohibition
- ■ Formal - Emergency Procedure

Quarter 1 — 34.62 %, 3.85 %, 61.54 %

FY 2015-2016 — 34.62 %, 3.85 %, 61.54 %

Annual view

38.46% of the cases were formal investigations in this financial year.

2.2 Enforcement action type by case

Comments

This KPI is the ratio of formal to informal cases. This provides a view on the level of harm in the market, the effectiveness of due diligence, risk assessment and control by providers, whether enforcement is providing a deterrent and the proportionality of the regulator in terms of dealing with harm appropriately, achieving redress and restoring balance. The graphs reflect cases fully resolved in the period. In Quarter 1 62% of cases were resolved informally. The majority of cases assessed and resolved in this financial year have been of a nature which require consideration under the Track 1 enforcement track.

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# KEY PERFORMANCE INDICATORS

Complaints by classification type

Quarterly view

2.3 Enforcement action type by complaint

Created On Period	Classification type	Number of complaints	Percentage:
2015-2016 - Q1	Pending	765	7.21%
2015-2016 - Q1	Initial Assessment	1,680	15.82%
2015-2016 - Q1	Track 1	9	0.08%
2015-2016 - Q1	Track 2	441	4.15%
2015-2016 - Q1	Resolved without investigation	2,012	18.95%
2015-2016 - Q1	Service Review	5,710	53.78%
		Percentage:	**100.00%**

Annual view

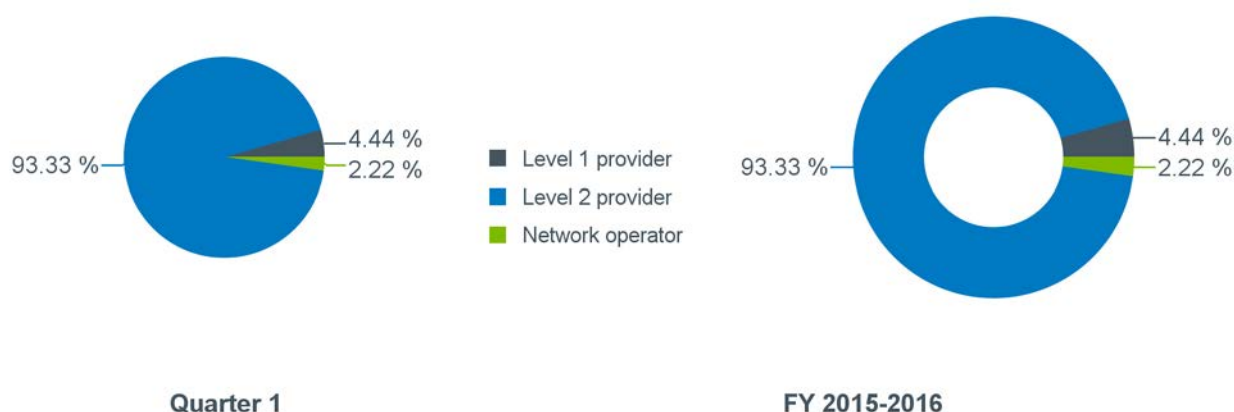#### 2.4 Enforcement action type by complaint per month
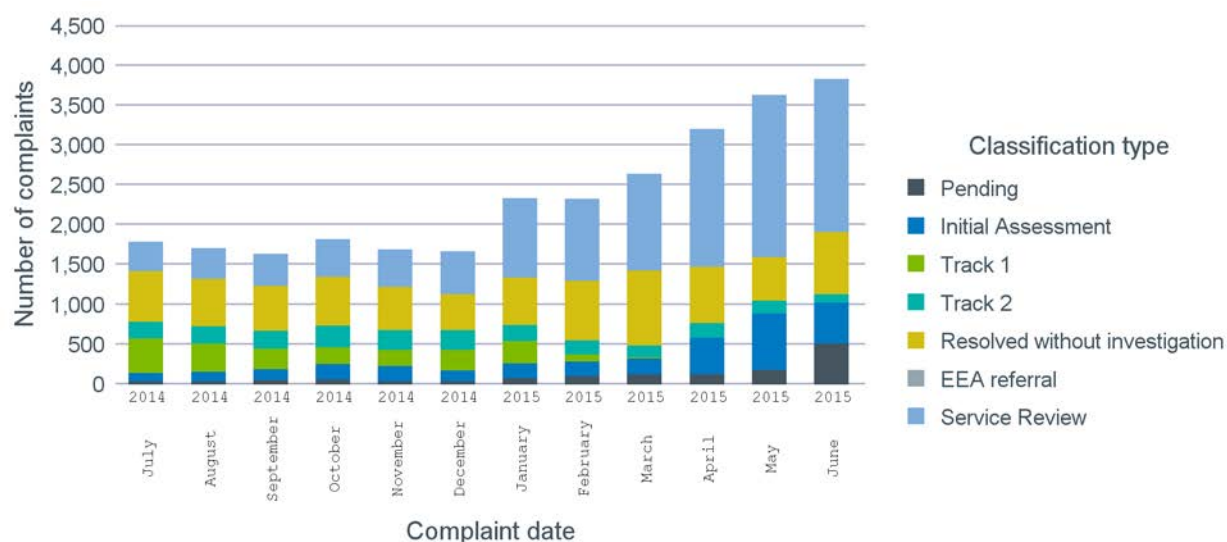
Comments

This KPI provides the breakdown of how complaints are classified and processed. This provides a further view on the potential levels of harm in the market and the proportionality of the regulator. 16% of complaints are currently under initial assessment (detailed service information being requested from the Level 1 or Level 2 providers as per paragraph 4.2.3 of the Code). 19% were resolved without the need for investigation and 54% are subject to ongoing monitoring. 0.1% have progressed to a Track 1 procedure and 4% to a formal investigation. The pending category includes the most recent month's complaints which are subject to initial information requests before they can be assessed, allocated and/or closed.

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KEY PERFORMANCE INDICATORS

Investigation cases by provider

Quarterly view

2.5 Level 1, Level 2 and Network cases

93.33 % — 4.44 %
            2.22 %

Legend:
- Level 1 provider
- Level 2 provider
- Network operator

Quarter 1

93.33 % — 4.44 %
            2.22 %

FY 2015-2016

Annual view

2.6 Level 1, Level 2 and Network cases per month

Number of cases

Case created on date

| | July 2014 | August 2014 | September 2014 | October 2014 | November 2014 | December 2014 | January 2015 | February 2015 | March 2015 | April 2015 | May 2015 | June 2015 |

Comments

This KPI provides the ratio of Level 1, Level 2 and Network operator cases (all cases either under initial assessment or informal or formal investigation). This provides a view to the effectiveness of due diligence, risk management and control by those further up the value-chain both in terms of the volumes of cases investigated against Level 1s for non effective due diligence risk assessment and control procedures and on the amount of Level 2 cases under formal investigation.

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KEY PERFORMANCE INDICATORS

Track 2 cases to target

Quarterly view

2.7 Track 2 cases to target

Period	Number of cases	Average weeks to tribunal
2015-2016 - Q1	8	16
2014-2015 - Q4	2	18
2014-2015 - Q3	10	17
2014-2015 - Q2	11	23

The average weeks to tribunal for this financial year is:

16

Annual view

2.8 Track 2 cases to target per month
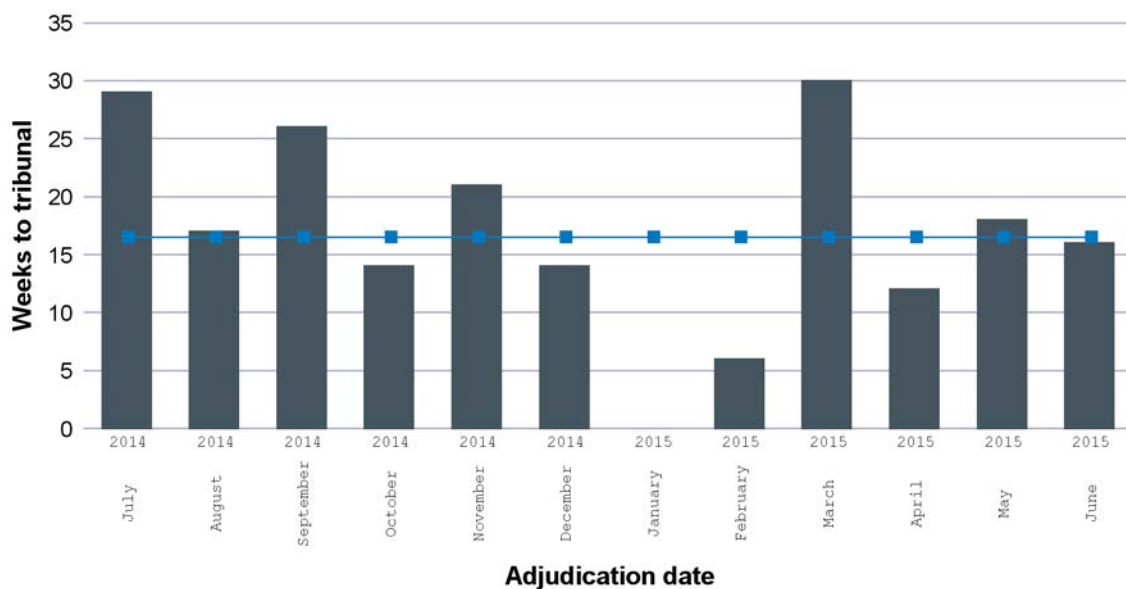
Comments

This KPI provides metrics on the timeliness of Track 2 cases to Tribunal which gives a view on the effectiveness of our enforcement action in preventing harm (playing also to the polluter pays principle) and so contributing to a healthy market. The indicator also comments on the performance of the Executive and gives a view on our cost effectiveness and use of resources.
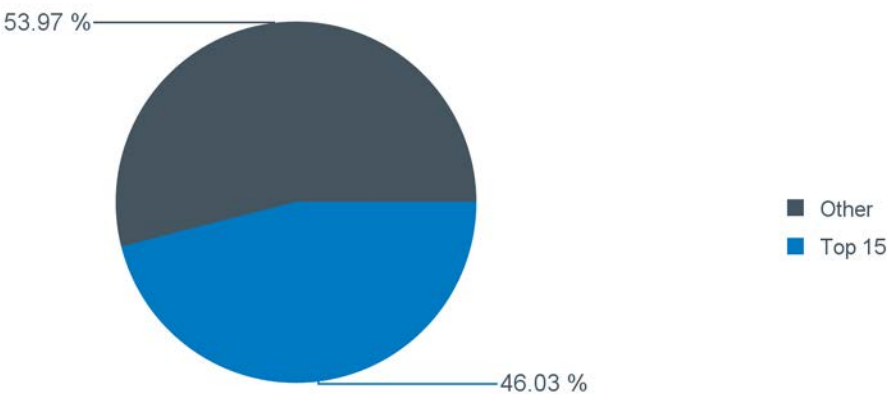
The average time to Tribunal for cases in Quarter 1 is 16 weeks and financial year to date is 16 (on target).

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Top offenders

Annual view

2.13 Percentage of cases that the top 15 offenders are responsible for

53.97 %

46.03 %

Other

Top 15

Top 15 offenders	Number of cases over the last four quarters
Top 15	17,111
Other	20,063

Comments

This KPI tracks the trends of top offenders to give a view on the effectiveness of due diligence risk management and control activity, our enforcement approach generally and specifically the effectiveness of sanctions as a deterrent for offenders.

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Fines collection rates

Quarterly view

2.14 Accumulative fine collection rates

Period	Adjusted KPI	Non-adjusted KPI
2015-2016 - Q1	34%	34%
2014-2015 - Q4	67%	61%
2014-2015 - Q3	48%	46%
2014-2015 - Q2	65%	58%

Annual view

2.15 Accumulative fine collection rates

Comments

This KPI is the accumulative actual collected fines over total fines invoiced and the adjusted measure of the collection rate discounted for fine income which is suspended, deferred or not yet due. This KPI gives a view on the effectiveness of the polluter pays principle and PhonepayPlus' internal effectiveness in debt collection procedures.

The cumulative fine collection rate for the financial year to date is 34% adjusted and 34% non-adjusted. The outstanding debt totals £117,918 and relates to two providers. These, and all outstanding fines from the last financial year, are being vigorously pursued through our debt recovery procedures which include consideration of all appropriate recovery and enforcement activity and referral to our debt recovery specialist agency.

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Administration charges collection rate

Quarterly view

2.16 Administration charge collection rates

Period	Adjusted KPI	Non-adjusted KPI
2015-2016 - Q1	89%	79%
2014-2015 - Q4	61%	51%
2014-2015 - Q3	41%	39%
2014-2015 - Q2	53%	48%

Annual view

2.17 Administration charge collection rates

Comments

This KPI is the accumulative actual collected administration charges over total administration charges invoiced and the adjusted measure of the collection rate discounted for administration income which is suspended, deferred or not yet due. This KPI gives a view on the effectiveness of the polluter pays principle and PhonepayPlus' internal effectiveness in debt collection procedures.
Administration charge collection rates for the financial year stand at 89% adjusted and 79% non-adjusted.

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MANAGEMENT INFORMATION

Description of this section

This section includes a range of key management information metrics and targets which produce a view on activity levels and which demonstrate the effectiveness of our delivery across our core operational functions. These measures include a view on volumes processed, inputs and outputs and timeliness and efficiency in the key business functions. The section includes information on timeliness of processing of informal complaint resolution to target, formal case management targets and volume and efficiency across prior permissions, compliance advice and industry and consumer enquiry call management.

MANAGEMENT INFORMATION

Track 1 cases to target
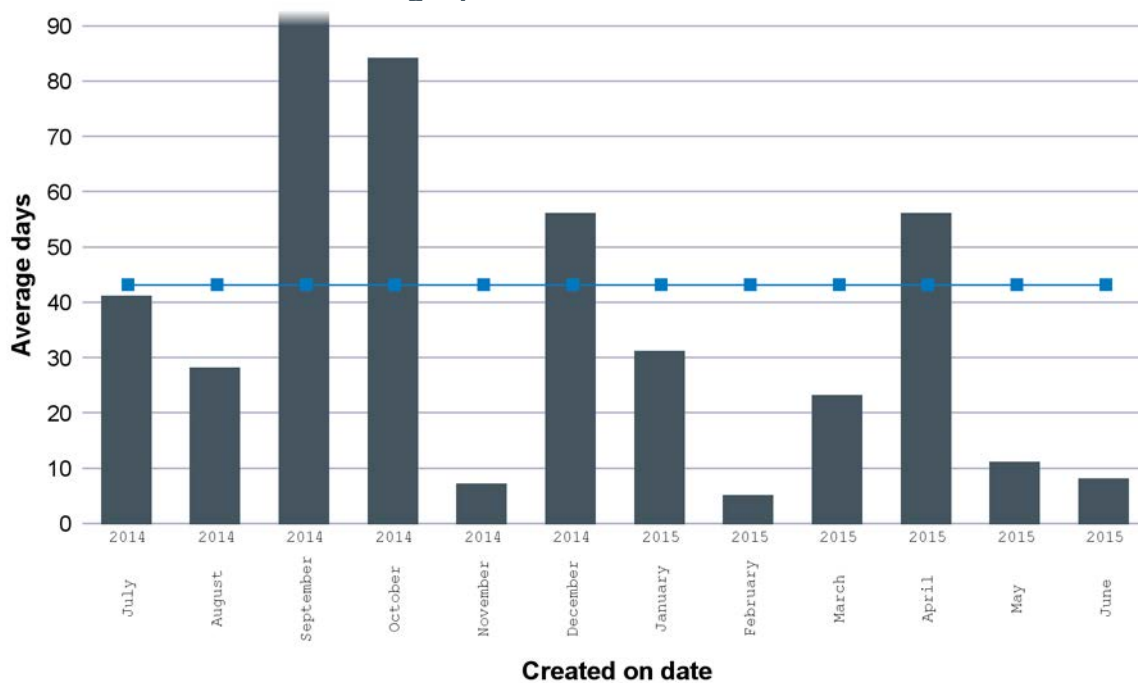
Quarterly view

3.1 Track 1 cases to target (42 days)

Period	Number of cases	Cases closed	Average length (days)
2015-2016 Q1	10	10	18
2014-2015 Q4	18	18	24
2014-2015 Q3	24	24	67
2014-2015 Q2	38	38	69

The average days to complete Track 1 cases for this financial year is:

18

Annual View

3.2 Track 1 cases to target per month

Comments

The average duration for Track 1 cases over the financial year is 18 days. For any period average days duration is only finalised when there are no remaining open Track 1 cases for that period.
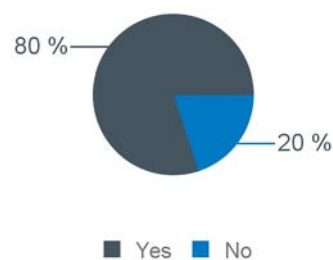
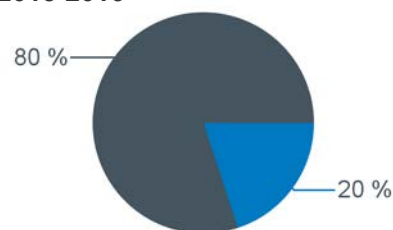PhonepayPlus

Track 1 cases to target

Monthly view

3.3 Track 1 cases to target

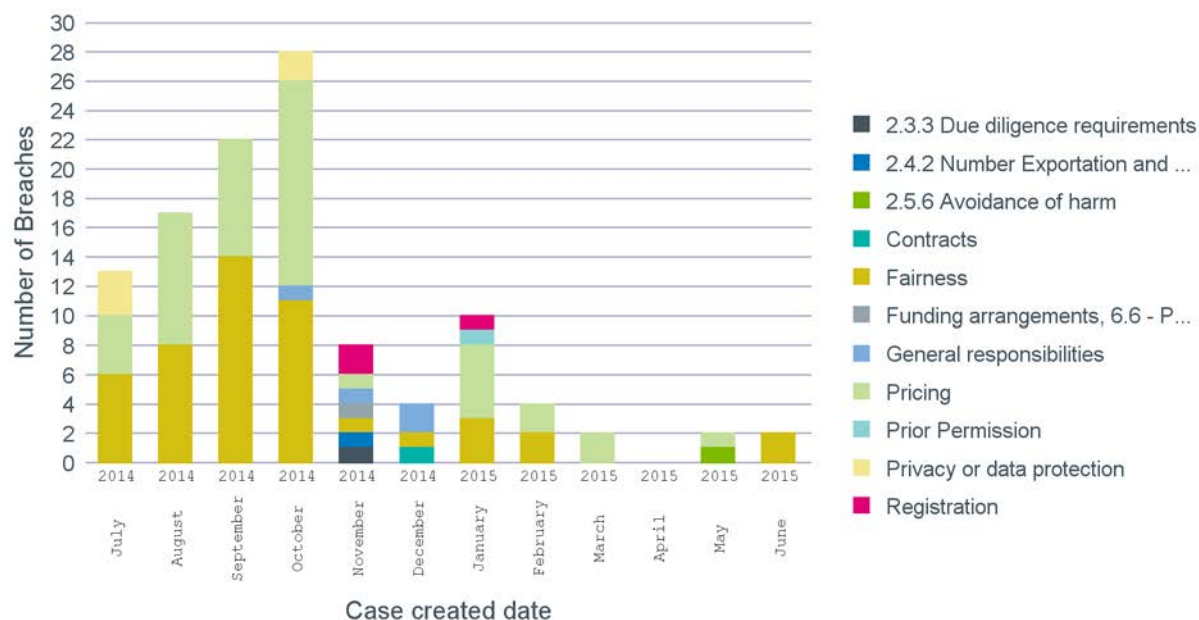| Period	Target met	Number of cases	Percentage
2015-2016 Q1	Yes	8	**80.00%**
2015-2016 Q1	No	2	20.00%
2014-2015 Q4	Yes	13	**72.22%**
2014-2015 Q4	No	5	27.78%
2014-2015 Q3	Yes	14	**58.33%**
2014-2015 Q3	No	10	41.67%
2014-2015 Q2	Yes	16	**42.11%**
2014-2015 Q2	No	22	57.89%

Quarter 1

FY 2015-2016

Annual View

3.5 Breaches raised in Track 1 procedure

Comments

80% of closed Track 1 cases for the financial year were processed within target. The majority of breaches raised under this procedure relates to pricing issues. For any period the percentage to target is only finalised when there are no remaining open Track 1 cases for that period.

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MANAGEMENT INFORMATION
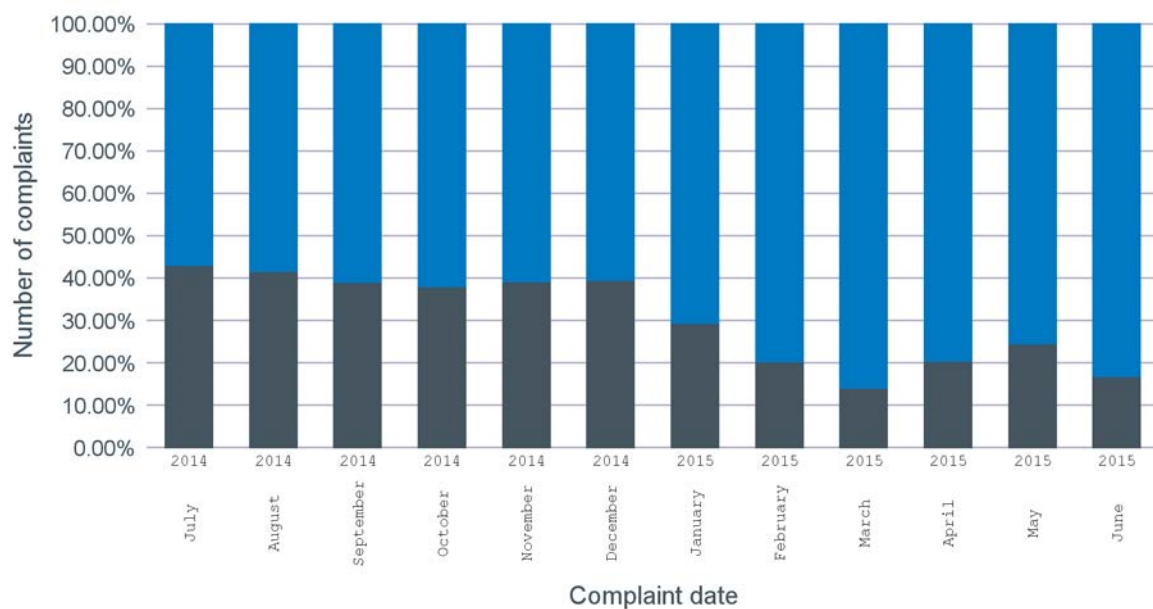
Actionable and non-actionable complaints

Quarterly view

3.6 Actionable and non-actionable complaints as percentage of total

20.08 %

Investigated

Resolved without investigation

79.92 %

20.08 %

79.92 %

Quarter 1

FY 2015-2016

Annual View

3.7 Actionable and non-actionable complaints per month
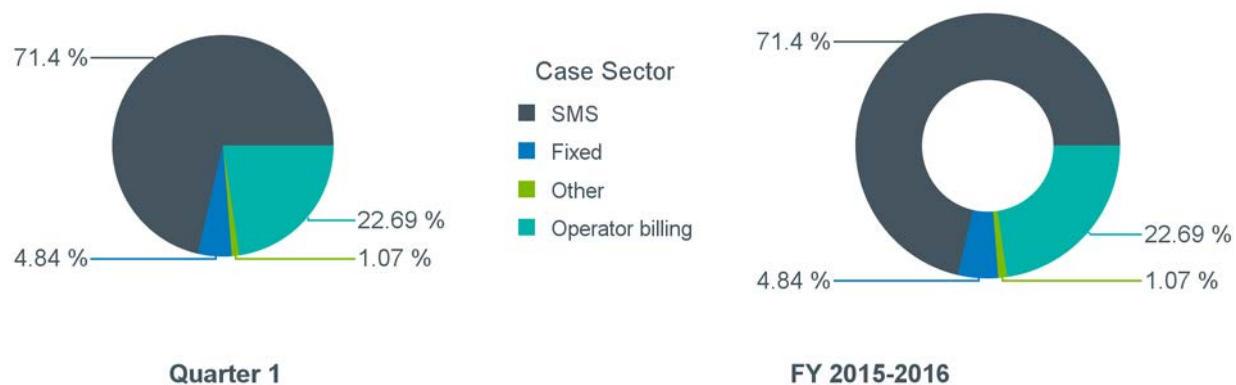

Comments

20% of complaints in Quarter 1 and 20% financial year to date required escalation to an enforcement track (Track 1 or 2). The remainder have either been closed without the need for investigation, are subject to ongoing monitoring or have not yet been allocated awaiting provider information.

PhonepayPlus

Complaints by sector

Quarterly view

3.8 Complaints by sector as percentage of total

Case Sector
- ■ SMS
- ■ Fixed
- ■ Other
- ■ Operator billing

Quarter 1

FY 2015-2016

Annual View

3.9 Complaints by sector per month

Comments

71% of complaints in Quarter 1 and 71% financial year to date related to the SMS mobile sector. The Payforit definition has now expanded to include all operator billing platforms. This category has been renamed 'Operator billing'.

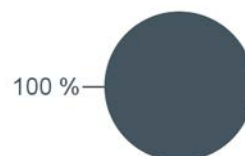**PhonepayPlus**

Suspension of services

Quarterly view

3.10 Percentage of adjudicated cases with suspensions

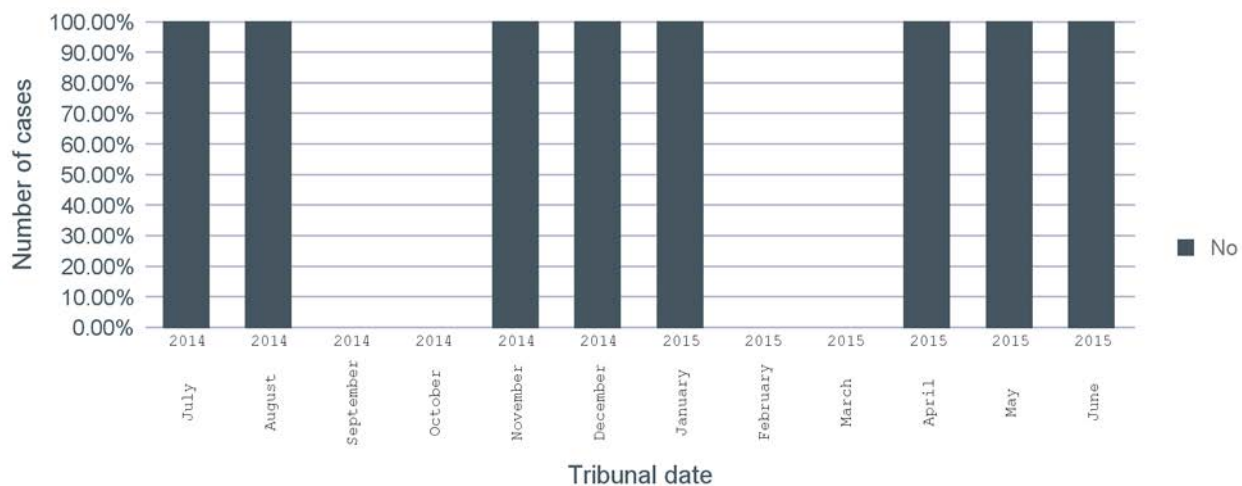| Period	Suspension	Cases	Percentage
2015-2016 - Q1	No	6	100.00%
2014-2015 - Q4	No	1	100.00%
2014-2015 - Q3	No	7	100.00%
2014-2015 - Q2	No	4	100.00%

Quarter 1

100 %

■ No

FY 2015-2016

100 %

Annual view

3.11 Percentage of adjudicated cases with suspensions per month

■ No

Comments

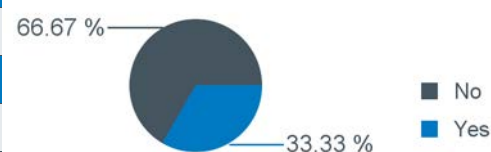Suspensions and withhold directions are applied in accordance with the Code.

PhonepayPlus

MANAGEMENT INFORMATION
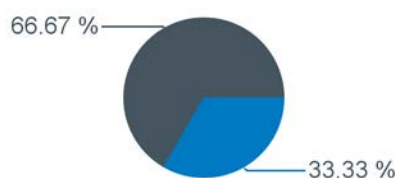
Withholds

Quarterly view

3.12 Percentage of adjudicated cases with withholds

Period	Withholds	Cases	Percentage
2015-2016 - Q1	Yes	2	**33.33%**
2015-2016 - Q1	No	4	66.67%
2014-2015 - Q4	Yes	0	**0.00%**
2014-2015 - Q4	No	1	100.00%
2014-2015 - Q3	Yes	0	**0.00%**
2014-2015 - Q3	No	7	100.00%
2014-2015 - Q2	Yes	1	**25.00%**
2014-2015 - Q2	No	3	75.00%

Quarter 1

66.67 %

33.33 %

- No
- Yes

FY 2015-2016

66.67 %

33.33 %

Annual view

3.13 Percentage of adjudicated cases with withholds per month

Comments

Suspensions and withhold directions are applied in accordance with the Code.
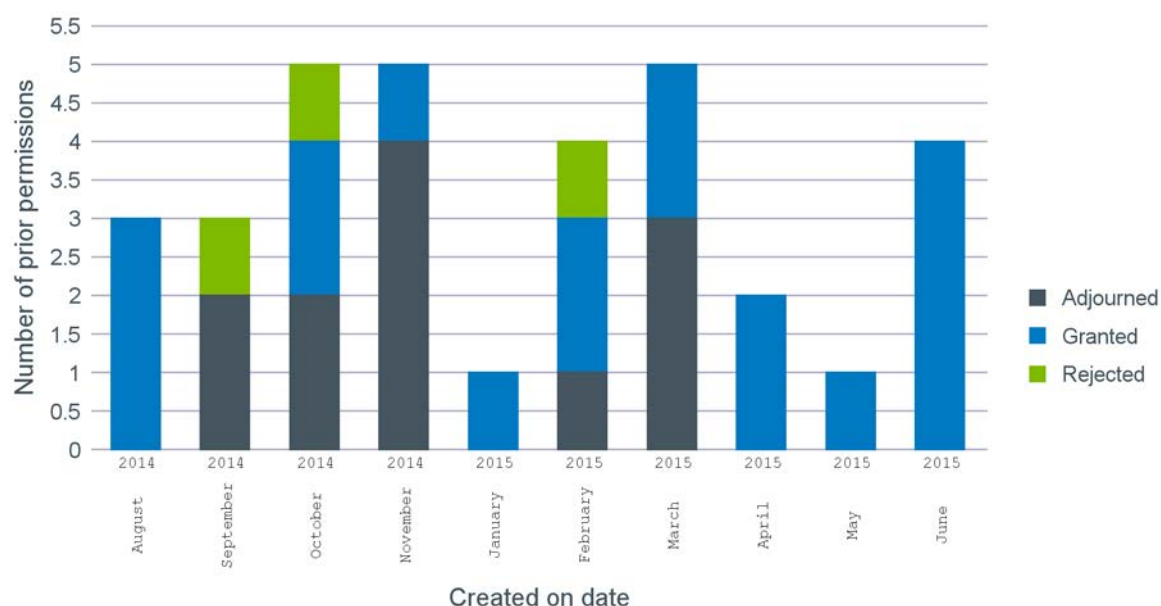
PhonepayPlus

Prior permissions

Quarterly view

3.14 Prior permissions by status

Period	New	Granted	Trial	Rejected	Adjourned	Inactive	Total	Average weeks
2015-2016 - Q1	0	7	0	0	0	0	7	3
2014-2015 - Q4	0	5	0	1	4	0	10	7
2014-2015 - Q3	0	3	0	1	6	0	10	11
2014-2015 - Q2	0	3	0	1	2	0	6	8

Annual view

3.15 Prior permissions by status per month

Comments

Prior permission applications are processed by the Executive but in some cases require referral to the Board (or its subcommittee). For any quarter, average days duration is only finalised when there are no remaining open prior permissions (in table 3.14: 'New'). On average valid applications were processed in 3 weeks in Quarter 1.
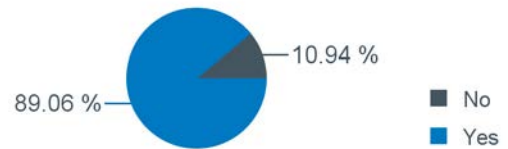
PhonepayPlus

Quarterly view

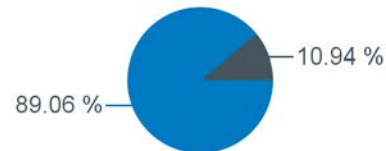### 3.16 Number of compliance advice requests answered within 5 working days

Period	Target Met	Number of requests	Percentage
2015-2016 - Q1	Yes	456	**89.06%**
2015-2016 - Q1	No	56	10.94%
2014-2015 - Q4	Yes	425	**94.24%**
2014-2015 - Q4	No	26	5.76%
2014-2015 - Q3	Yes	337	**88.92%**
2014-2015 - Q3	No	42	11.08%
2014-2015 - Q2	Yes	269	**87.62%**
2014-2015 - Q2	No	38	12.38%

Quarter 1

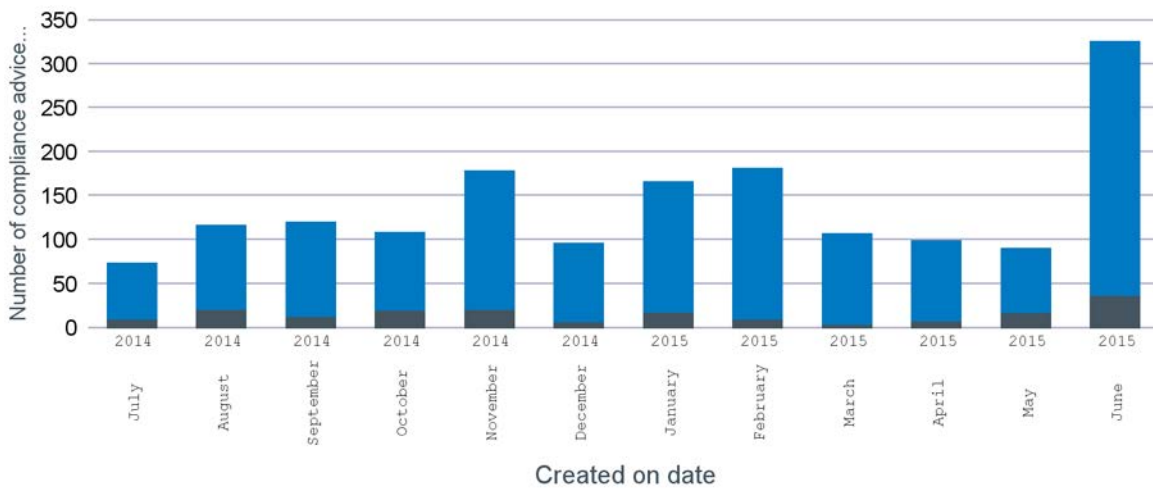10.94 %
89.06 %

■ No
■ Yes

FY 2015-2016

10.94 %
89.06 %

Annual view

3.17 Compliance advice requests per month

Comments

89% of requests for the financial year to date are answered within 5 working days.

PhonepayPlus

Quarterly view

3.18 Number of consumer enquiries

Period	BT enquiry	Case update	Consumer enquiry	Consumer number check	Network number check	Out of remit	Total
2015-2016 - Q1	438	33	5,280	341	90	302	6,484
2014-2015 - Q4	494	95	3,337	342	68	286	4,622
2014-2015 - Q3	423	198	749	218	89	727	2,404
2014-2015 - Q2	199	108	888	75	104	263	1,637
Total	1,554	434	10,254	976	351	1,578	15,147

Annual view

3.19 Number of consumer enquiries per month
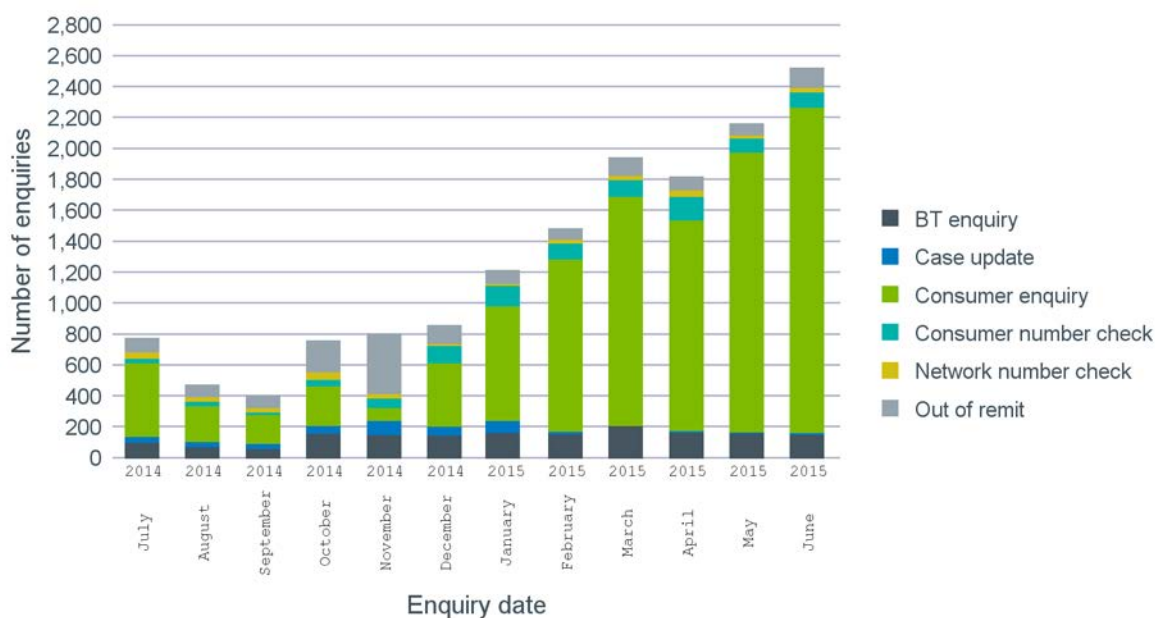
Comments

There was a continued decline in the volume of enquires received up until Quarter 2 2014-15, but in Quarter 3 and 4, enquiry volumes rose sharply, and this continues to rise in Quarter 1 2015-16. We will continue to monitor this closely to identify the underlying reasons for this.

PhonepayPlus

Quarterly view

3.20 Number of due diligence requests

Period	Unique checks	Requesting Orgs	Target Orgs
2015-2016 - Q1	636	82	436
2014-2015 - Q4	710	89	491
2014-2015 - Q3	677	86	458
2014-2015 - Q2	1,049	105	742

Annual view

3.21 Number of due diligence requests per month

Comments

On average 768 due diligence reports are requested each quarter by 91 organisations.

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MANAGEMENT INFORMATION
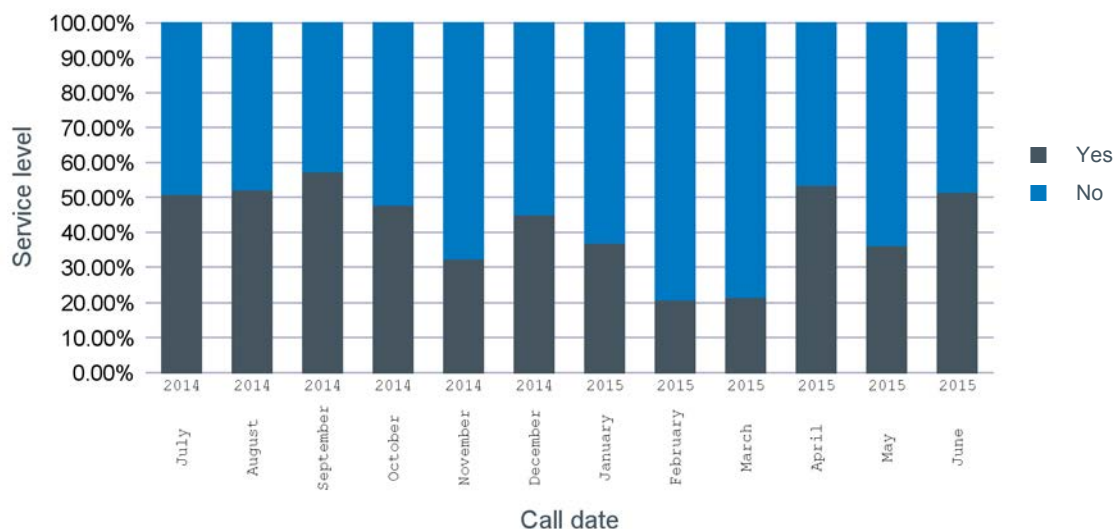
Call centre data

Quarterly view

3.22 Calls and service level

Period	Incoming calls	Calls abandoned	Calls answered	Calls served in time	Percentage answered	Answered within 30 sec
2015-2016 - Q1	16,035	2,482	13,553	6,296	84.52%	46.45%
2014-2015 - Q4	12,374	3,949	8,425	2,218	68.09%	26.33%
2014-2015 - Q3	7,952	1,552	6,400	2,660	80.48%	41.56%
2014-2015 - Q2	6,846	1,131	5,715	3,038	83.48%	53.16%
					84.52%	**46.45%**

Annual view

3.23 Answered service level per month (served in time / answered)

Comments

On average 10,800 contacts are made to the call centre each quarter and the number has been rising. In Quarter 1 service level to answer calls within 30 seconds was below target (80%) at 46%. Levels of calls abandoned this quarter 15% against a target of 5%. We have updated our IVR messages to ensure consumers have contacted the provider of the service before coming to PhonepayPlus and that they have the required information such as the number responsible for billing them to ensure we can effectively assist with their query. This resulted in a drop in the number of calls coming through in late June and early July. Meeting the KPI continues to be challenging however we are closely reviewing and managing resource allocation on a weekly basis to ensure the best service is offered.

PhonepayPlus

TRIBUNAL INFORMATION

Description of this section

This section provides information about those cases which have been put to the Tribunal, the body which hears and adjudicates on cases against premium rate providers that PhonepayPlus suspects to be in breach of its Code of Practice. The section includes volumes of cases heard and the severity of the cases and breaches upheld.

Further detail on the cases heard and the formal record of the hearings can be found on the PhonepayPlus website http://www.phonepayplus.org.uk/For-Business/Tribunals.aspx

PhonepayPlus

Number of cases heard at tribunal

Quarterly view

4.1 Number of cases heard at Tribunal

Period	Tribunals	Track 2	Breach of Sanctions	Emergency Procedure	Naming Case	By consent	Review	DDRAC	Oral hearing	Total
2015-2016 - Q1	5	5	2	0	1	1	0	0	0	9
2014-2015 - Q4	2		1	0	0	1	0	1	0	3
2014-2015 - Q3	6	5	1	0	4	2	0	0	0	12
2014-2015 - Q2	5	4	1	0	6	0	0	0	0	11

Annual view

4.2 Cases by severity rating

Comments

On average 9 cases are heard at adjudication per quarter. The majority of (relevant) cases are determined to have a severity rating of 'serious' or above by the Tribunal.
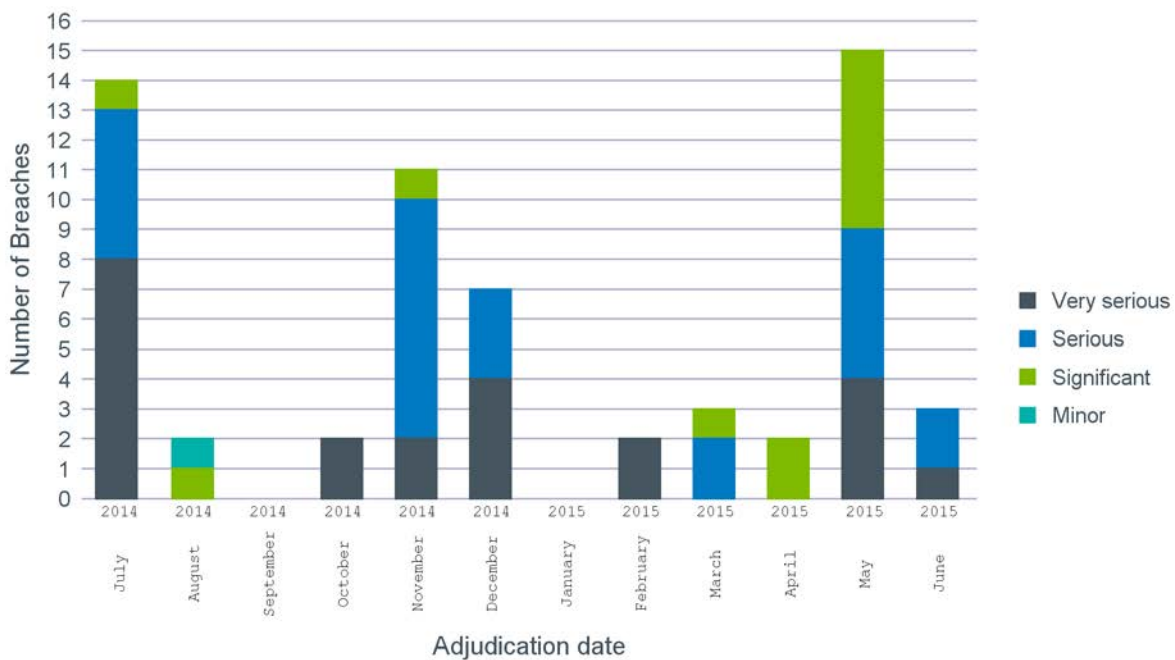
PhonepayPlus

Upheld breaches by severity

Quarterly view

4.3 Upheld breaches by severity as percentages

Breach Severity
- ■ Very serious
- ■ Serious
- ■ Significant

Quarter 1

FY 2015-2016

Annual view

4.4 Upheld breaches by severity per month

- ■ Very serious
- ■ Serious
- ■ Significant
- ■ Minor

Comments

In Quarter 1, 60%, and financial year to date 60% of breaches found by the Tribunal were considered serious or above.
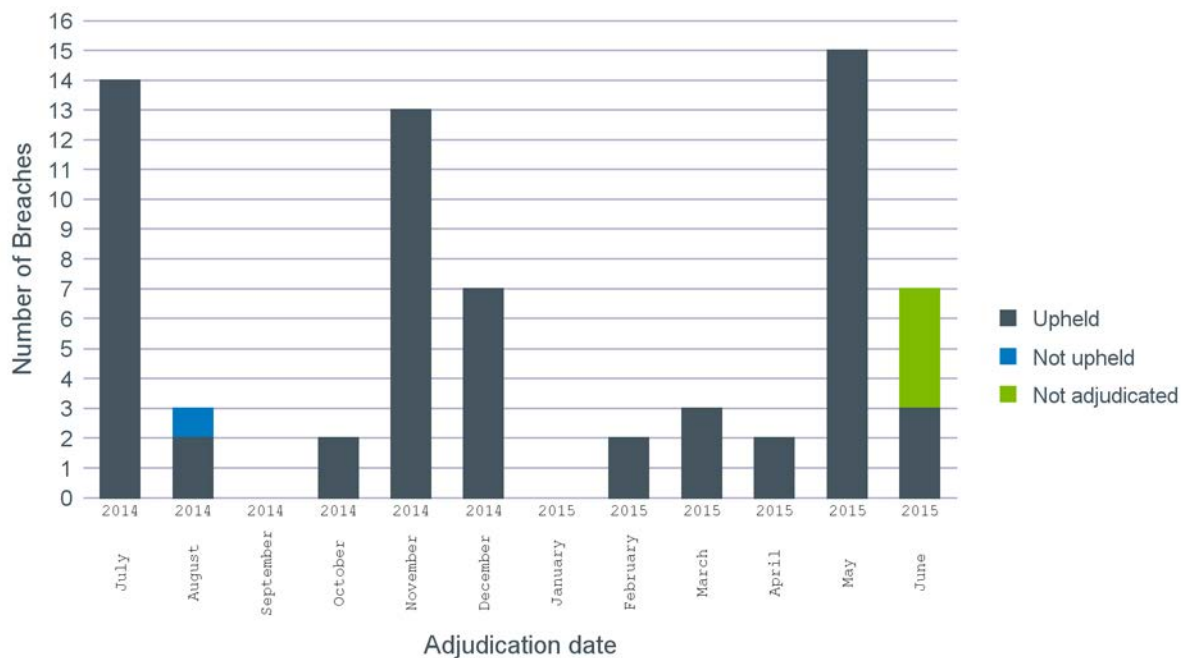
PhonepayPlus

Breaches by status

Quarterly view

4.5 Breaches by status as percentages

83.33 %

16.67 %

■ Upheld
■ Not adjudicated

Quarter 1

83.33 %

16.67 %

FY 2015-2016

Annual view

4.6 Breaches by status per month

Number of Breaches

■ Upheld
■ Not upheld
■ Not adjudicated

Adjudication date

Comments

83% of breaches brought by the Executive were upheld in Quarter 1 and 83% financial year to date.
100% of cases were upheld.

PhonepayPlus

Annual View

Consumer contacts

Created on FY	Complaints	Enquiries	Total
2015	62%	38%	17,104

Complaints

Status	Precentage
Actionable	20%
Not actionable	70%
Pending	10%

20.08 %
70.24 %
9.67 %

- Actionable
- Not actionable
- Pending

Actionable complaints

78.87 %
20.7 %
0.42 %

- Initial Assessment
- Track 1
- Track 2
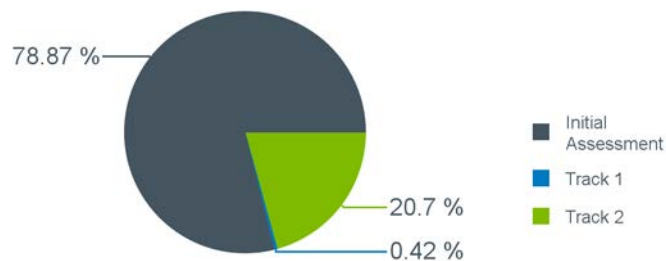
Classification	Percentage
Initial Assessment	79%
Track 1	0.4%
Track 2	21%

Not actionable complaints

Classification	Percentage
No evidence of breach	92%
Not within remit	8%

- No evidence of breach / Not actionable
- Not within remit / Not actionable

92.16 %
7.84 %

Comments

This consolidated complaints summary brings together top line complaint and enquiry data from throughout the report into one view for ease of reference.

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