



NOTES OF THE ILP MEETING ON TUESDAY 26th FEBRUARY 2008

Present:

Nicola Robbins (Chair)
Jacqui Brooks
Martin Ballard
Mark Thorndike
Robert Dirskovski
Anne Hoitink
Mark Gracey
Ed Boddington
Ann Cook
Roy Ellyatt
Iain McCallum
Neil Dennett

Sir Alistair Graham
George Kidd
Paul Whiteing
Stephanie Ratcliffe (minutes)

On going action log

Meeting/ Action number	Description	Owner	Status
2.1	Clarity with PP+ over live service permission and aggregators to be sought in October.	Paul Whiteing confirmed PP+ are scoping the review of a live services compensation scheme including multi party chats.	PENDING. Further discussions are taking place with the aim to have a policy making consultation document in place soon.
7.1	Martin Ballard to follow up best practice for customer service.	Martin Ballard	PENDING – produce a lightweight document with guidelines and references
7.2	Hamish MacLeod to advise ILP on timescales for the market data project group at the next meeting.	Hamish MacLeod	CLOSED – a document has been circulated
7.6	Iain McCallum to present on O2 red/yellow cards.	Iain McCallum	PENDING- presentation on '02 red/yellow cards process' to be held at next meeting
8.2	Hamish MacLeod to liaise with Paul Whiteing on sharing collection data and provide update at next ILP meeting.	Martin Ballard to liaise with Hamish MacLeod on research concerning sharing mobile networks. Hamish MacLeod to investigate whether Vodafone classifications would help define the service groups. Mark Gracey to obtain information on fixed line operators' willingness to supply market data on part of their financial returns to PP+.	PENDING - continue to redevelop websites with the aim to bring together the industry's statistics in one place. Martin Ballard to present progress made at next meeting.
8.7	Re-branding and Re-launch of Name. Trays O'Reilly to produce a short descriptor and send copies of presentation	Tray's O'Reilly	CLOSED – nothing received, Paul Whiteing fed back to Trays O'Reilly on

	and the brand culture document to the panel.		this.
8.8	Market Situation Report – headings and graphs to be more explicit and descriptive	George Kidd	CLOSED –circulate report to ILP
8.9	PP+ Policy update on informal representations – confirm number of informal breaches relating to lead investigations	Paul Whiteing	PENDING – sanctions policy under review, new code compliance panel commencing April '08, agenda item for next meeting
9.0	Pricing Transparency- NOC, PP+ and Ofcom to discuss best way forward. Roy Ellyatt provide a report outlining main areas of concern to present at next meeting.	Paul Whiteing Roy Ellyatt	CLOSED
9.1	Review goals and objectives for ILP	Nicola Robbins	PENDING – meeting discussed working relationship improvements and the setting up of workshops
9.2	Run a due diligence workgroup & produce a due diligence standardization template.	Mark Gracey	PENDING – summary of proposals issued, once comments received document will be sent to PP+ for further comment and approval. Working groups to meet before final is issued to PP+
9.3	Paul Whiteing to consider if there are any new topics for inclusion in the working group list.	Paul Whiteing	PENDING
9.4	Nicola Robbins and Paul Whiteing to discuss and work around new ways of working together and ideas for 2008/9 improvements.	Paul Whiteing & Nicola Robbins	NEW
9.5	Provide the ILP on a regular basis a list of the top ten complaints, in view that the ILP may be able to provide valuable feedback or insight.	George Kidd	NEW
9.6	PayForIt presentation – circulate slides to the ILP	Iain McCallum	NEW
9.7	The Panel recommended meeting on a more regular	Nicola Robbins	NEW

	basis to ensure important issues are not overseen. It was agreed that Nicola Robbins raise these concerns with Sir Alistair Graham and George Kidd.		
9.8	Regulatory Risk Register – David Oatway to circulate the top ten risks for ILP to review at each ILP meeting.	David Oatway/ILP	NEW
9.9	Membership Review, ILP agree requirements for a: <ul style="list-style-type: none"> • DQ member – Jacqui Brooks to investigate • CCA member - Customer Contact Centre 	Nicola Robbins/Jacqui Brooks	NEW
10.0	Network audits carried out on the networks. PP+ to provide ILP with feedback and advise learning derived from audits.	Brian Lund	NEW
10.1	Mark Thorndike provided an update on SMSus and advised that the launch of what was planned and outcome was positive, but that the number checking and quality of data needed improvement. He advised that PP+ need to ensure their website is updated.	Susanne Richter	NEW

Working Group Actions

None

Apologies

Were received from Suhail Bhat, Suzanne Gillies, Mike Short, Hamish MacLeod, Tony Maher

A revised agenda was circulated to the Panel.

1.0 The new Framework for PRS Regulation & ILP Goals and Objectives Discussion on Branding Plan

Sir Alistair Graham explained how PP+ are working with Ofcom to improve and build on the existing relationship. PP+ are finalising a new formal framework

agreement with Ofcom to define the relationship in a more precise way as well as improve on the MOU. Peter Phillips from Ofcom will regularly attend Board meetings to demonstrate the close working relationship. Ofcom have identified PP+s specific role as a regulator and the fruits of positive progress are already apparent in the broadcast area.

PP+ will be recruiting for a diverse range of new Board members to commence their appointments in September '08. If you wish to recommend anyone for these positions please do let us know.

Nicola Robbins stressed the importance of continuing to work closely with the ILP, to continue to improve on our relationship and where required use the ILP as a sounding board.

The ILP welcomed the framework and agreed the role of the ILP was essential in maintaining a sustainable industry. It was agreed that Nicola Robbins and Paul Whiteing should meet to discuss new ways of working and ideas for improvements for 2008/9.

Action: Nicola Robbins and Paul Whiteing

2.0 Regulatory/Market Situation Report Q3 FY2007

George Kidd presented the Quarterly Report Q3 2007 to the ILP and explained the format used in breaking down the data.

He confirmed:

1. The market dropped 15% in the first quarter with slow improvement in the second and third quarter.
2. Problems continue in the mobile space however the figures are not comprehensive and PP+ intend to issue a revised set of data once the type of complaints have been verified.
3. There is continued increase in enquiries and compliance advice, this reflects the awareness within the industry of the type of support PP+ provide.
4. PP+ continue to focus on monitoring. PP+ are aware of issues around PayFort and will ensure they inform ILP when more information is available.
5. Problems continue to arise with adult and children service sectors, visible in websites rather than print.
6. PP+ is aware that some standards are slipping and the ILP recommended that in accordance with existing industry rules, it would be beneficial to issue a reminder to the advertising sector again.
7. The top problems continue to be in the Mobile, Subscriptions and 3rd Party Lists.
8. A question was raised about the use of alternatives to the "STOP" command. Iain McCallum confirmed that only the word 'STOP' would allow someone to unsubscribe a service.

It was noted that the new Code Compliance Panel commence in April, with no changes taking place in the reporting procedure yet.

The ILP requested PP+ provide, on an ongoing basis, a list of the top ten complaints, in view that the ILP may be able to provide valuable feedback or insight.

Action: George Kidd

3.0 Industry Developments/Issues and Market Changes

Industry developments were discussed:

- Nicola Robbins stressed the need for the industry to consider future implications with market changes occurring, for example, with higher rate tariffs for mobile. Roy Ellyatt advised that a forum is underway which is examining the implications of higher tariffs.
- Iain McCallum noted developments in the mobile market:
 1. Premium Video trial – O2 will be conducting a commercial trial in Q3, the trial does not involve the social networking element but relates purely to downloading.
 2. Code changes to text and voice digits.
 3. PayFort - ongoing development and finalisation to improve on consumer understanding and user experience.
 4. Release of a £10 price point on O2 in March.
- Jacqui Brooks advised that discussions focus on the reporting issue with the provision of an all in one database. The issues centre on placing and porting all numbers on a single database with fixed to mobile porting under consideration. Ofcom approve the routing of mobile numbers through a common database, however the implications of routing in line with the next generation of networks needs consideration and the industry will need to consider how they work best with a regulatory framework at both UK and EC level.
- Anne Cook advised that customer satisfaction and bringing service provision in house remains of utmost importance in the broadcast sector. ITV are establishing price standardisation throughout all their programmes and informing customers of clear pricing guidelines. The aim being to bring mobile back to broadcasting and to improve customer's understanding of the interaction process with programmes.
- Nicola Robbins advised that an Industry Member Meeting will be taking place on a regular basis prior to the ILP meetings, in order to raise any issues/prompt updates that may need to be shared at the ILP meetings.

4.0 Introduction from Anne Hoytink from Ofcom with an Update on the Scope Review

Anne Hoytink explained and provided an overview of the scope review:

- New services and their characteristics are reviewed in relation to the Communications Act 2003. Ofcom liaised with PP+ on carrying out market research and comparing PRS with other services and when a service falls within PRS the specific type of regulation is considered.
- A study into micro payments has also been carried out and this raises questions about these sorts of services and how/if they should be regulated e.g. Click & Buy, PayFort.
- Consumer experience research of PRS has been carried out; how much people spend, pricing transparency and in broadcasting experience certain conditions need to be met before we move to higher tariffs.
- The Registration database is addressed in the scope review with a recommendation linked to price transparency
- PRS Regulation – research compares other PRS regulatory regimes internationally.
- The review will also look at the PRS value chain to see if regulation targets the most appropriate party.
- The final version of the Framework Agreement is due for completion in April '08
- The Scope Review is due for publication by the end of March (April at the latest).

Sir Alistair Graham and George Kidd left the meeting

5.0 Presentation on PayFort

Iain McCallum presented on PayFort (PFI), a Standard for Mobile Payments. He explained that PFI operates via a standardised process, delivering a trustworthy and consistent standard for paying by mobile and enabling customers to pay for goods and services with complete confidence. The scheme allows for single as well as multiple payments and subscriptions. The project commenced in June 2005 and was completed in January 2008 with positive feedback already visible.

Iain McCallum provided an overview for single purchases and explained changes that still need to be made including the provision of a telephone number to call in case of enquiries. It was noted that for subscription services the customer will continue to receive a reminder of amount spent and subscription length. The ILP discussed on screen terms, such as the requirement for positive 'opt in' with a pre-ticked box and the wording 'free information'.

It was noted that MSISDN pass through processing rules, to use MSISDN for marketing purposes a specific box must be ticked. Customer care handling and auditing rules are in place including audit logs and key events are demonstrable via an audit trail.

Foreseeable problems arising from PFI include inconsistent enforcement across the mobile network operators and content providers noticing a visible loss in revenue and requesting increased revenue share.

O2 therefore aim to improve on user experience, to introduce a greater standardisation across the network operators and allow PFI to be used on their own portals, to reduce the requirement of clicks on screen for returning consumers, basket and check out functionality and support pay to browse services.

Consumer research and a subscription campaign to raise awareness is already underway.

Industry research has been carried out in conjunction with NOC and it was noted that 70% of respondents expect consumer usage of PFI to increase over the next 12 months.

The ILP requested copies of the presentation are circulated.

Action: Iain McCallum

6.0 Summary Notes of Last Meeting held on 9th October 2007

8.7 Roy Ellyatt raised concern over PP+'s logo 'regulating to build consumer trust', noting this demonstrates a marketing function and is a role of the industry. He stressed that neither the provision of comments for the descriptor nor the presentation document on the re-brand had been circulated to the ILP for review. Paul Whiteing agreed to follow this up with Trays O'Reilly.

The ILP advised the importance of meeting on a regular basis to ensure important issues are not overseen. It was agreed that Nicola Robbins address these concerns with Sir Alistair Graham and George Kidd.

7.0 Matters Arising, Actions, Working Group Updates from Last Meeting held on 9th October 2007.

The action log (above) was considered and updated in light of the discussion on each PENDING issue.

8.0 Regulatory Risk Register

David Oatway presented an overview on how we assess and address hazards in the market place using a methodology based on failure models and effects analysis. The model includes score figures for individual 'hazards' and the likelihood of detecting risks. He provided an overview of the top ten risks including Broadcast PRS, Prize Claim Lines and Subscriptions, Calling Cards,

Money & Transfer Services, PayForIt, DataCharges, 0871, Missed Call Prefixes, Subscription Services, WAP Billing and WAP Push.

David Oatway requested the ILP provide feedback on the register. The ILP requested a list of the top ten risks to review at each ILP meeting.

Action: David Oatway/ILP Members

9.0 Pricing Transparency and Areas of Concern

Roy Ellyatt provided the Panel with an update on pricing transparency. He stated that the tariff transparency problem is not only with the mobiles but with the networks. He advised a meeting involving all the value chain took place with positive results. The aim will be to introduce a maximum call charge statement on TV broadcast by end March '08 which will be followed by introducing statements for the remaining networks. Other suggestions include introducing voice short codes to enable networks to have a common, single tariff and to reintroduce SMS to alleviate pressure from the mobiles.

10. Membership Review

The Panel agreed membership proposals should be sought for a:

- DQ member – Jacqui Brooks to investigate
- CCA member Customer Contact Centre

Action: Nicola Robbins/Jacqui Brooks

Sir Alistair Graham and George Kidd returned to the meeting

11. AoB

- 11.1** Participation TV statement – as per the consultation document and responses that followed, it was noted that prior permission is considered necessary.
- 11.2** A big thank you to Mark Thorndike who is leaving PRA and will be replaced by David Ashman.
- 11.3** 0871 Update – Ofcom continue to consult with implementation due in August '08. PP+ aim to arrange workshops once the 0871 consultation period is complete.
- 11.4** Audits carried out on the networks – Nicola Robbins requested feedback from the audits and requested what learning had been derived from the audits.
- 11.5** Mark Thorndike provided an update on SMSus and advised that the launch and outcome was positive, but that the number checking and quality of data needed improvement. He advised that PP+ ensure their website is updated. A brief discussion was held as to the advantages of a central database that could benefit consumers via the number checker, PP+ for case handling and the industry for due diligence and Broadcasters for pricing transparency – this will be covered by the Scope Review.
- 11.6** It was mentioned that the PP+ website information in regard to 07 PNS needs to be updated as the call announcement for calls over 20p has been removed

pending further Ofcom consultation.

Action: Susanne Richter

- 11.7 George Kidd noted that we continue to review policies and advised of the FTC Meeting on Mobile Commerce and IARN meeting taking place.
- 11.8 NOC Update - Roy Ellyatt advised the panel that an 'Interactive Broadcasting Services Guide', written for managers explaining how the value chain operates is close to finalisation.
- 11.9 It was agreed that future meetings would be extended by 30 minutes.

The next ILP meeting will be held on **Thursday 12th June at 2.00-4.00pm**