

**MINUTES OF THE 426<sup>TH</sup> MEETING**

**PHONE-PAID SERVICES AUTHORITY LT BOARD MEETING**

Wednesday 24 November 2021

10.00-13.00

Phone-paid Services Authority, 40 Bank Street, London, E14 5NR

**Attendees:**

Chair: David Edmonds

**Board members:**

Ann Cook  
Meg Munn  
Winnie Palmer  
Jo Prowse  
Mark Thomson

**PSA Executive:**

Peter Barker  
Tania Dosoruth  
Jonathan Levack  
Ayo Omideyi  
Simon Towler

**Guest:**

Rhian Johns

**Minutes:** Sherallee Oyediran

**Apologies:**

Gavin Daykin, Ofcom  
Jane Rumble, Ofcom

**1. Standing Items**

**1.1 Introduction and apologies**

The Chair welcomed members and attendees to the Board meeting. Apologies were received from Gavin Daykin and Jane Rumble.

**1.2 Previous minutes, matters arising and action log [ref 1.2]**

The previous meeting minutes were accepted as an accurate record of the meeting.

### **1.3 Standing and other declarations of interest**

There were no declarations of interest recorded.

### **1.4 Chief Executive Report**

The Chief Executive presented her report on activity across the organisation, and the Board noted the following updates:

- Since the last Board meeting no pressing matters had arisen since the publication of Code 15 with the exception of the concerns raised by broadcasters on a limited provision within the Code. The Executive have been engaged with those concerned and a solution has been found (dependent on a short consultation).
- Guidance consultation for Code 15 is open for response until 22 December. Of the seven pieces out for consultation, six are clarification of standards and one is service specific.
- Letters were sent to both Sarah Healey and Melanie Dawes noting the approval and publication of the new Code.
- Response from consumers and industry has been relatively quiet.
- The upcoming Industry Liaison Panel (ILP) in December will be focused on the Business Plan and Budget.
- From an operational perspective, the test and learn phase continues in the office for new ways of working practice and the results will be collated and considered at the end of this phase planned for the New Year.
- Culture and Values workshops have commenced and are focused on realigning our culture and values in readiness for the regulatory approaches under Code 15.
- The Resources Committee agreed on the new organisation structure and the revision of job roles. Processes have been put in place to begin engaging on those affected with consultation documents due next week and restructuring plans communicated to the organization through the usual channels.
- Network revenue returns were broadly the same in Q2 vs Q1. Revenues are expected to increase in Q3 in line with bigger radio and television competitions and the release of major new games ahead of Christmas.

- The Audit, Risk and Corporate Governance Committee endorsed an improved security policy for the exceptional use of non-PSA devices. Work in our data protection/risk frameworks programme is progressing well. The Board noted and commented positively on the stringent levels of security and measures in place that have protected our systems and prevented security breaches.
- The Board noted that the TCS Combined Solutions (TCS) case is at permission stage of the Judicial Review (JR) process and that a decision on TCS' application for JR was likely to be made by a Judge before Christmas.
- The Board noted and welcomed the budget control demonstrated for this financial year.

The Board thanked the Chief Executive for her report.

## **2. Items for approval/decision**

### **2.1 Business Plan and Budget 2022/23**

The Executive presented the draft Business Plan and Budget for 2022/23, which the Resources Committee has recommended for approval by the Board. The Board noted it was an efficient and sensible activity plan and budget given the shift in our regulatory approach under Code 15 whilst also managing the pipeline of legacy enforcement activity.

The Executive noted the draft Business Plan and Budget 2022/23 will be presented at the ILP in December, alongside further clarification on levies to be collected and the recovery of the PSA budget.

**The Board endorsed and approved the draft Business Plan and Budget 2022/23, which will now move to public consultation. The final version of the Business Plan and Budget 2022/23 will be subject to Board approval in March 2022, following which formal approval will be sought from Ofcom.**

### **2.2 Directors Report and Financial Statements**

The Executive presented the Directors Report and Financial Statements as laid before the Audit, Risk and Corporate Governance Committee.

**The Board endorsed and approved the Directors Report and Financial statement, and authorized electronic signatures to be applied to the accounts and sent to the Controller and Auditor General for certification.**

### **2.3 Governance Statement Annual Review**

The Executive presented the Governance Statement Annual Review for approval.

The Board approved the Governance Statement and the planned consolidation of the office holder handbooks into one combined handbook alongside the launch of Code 15 in April 2022.

### 3. Items for discussion

#### 3.1 Code 15 implementation update

- The Executive reported Code 15 implementation was on track for 5 April entry into force. There is however limited contingency left so the team are looking at what could potentially be delayed should issues arise.
- Levels of engagement with industry has been slightly disappointing, but to counter this, workshops will be put into place (both virtually and in person) for industry to attend to prepare for the entry into force of Code 15. All efforts to engage and prepare industry are in place and support has been offered.
- Supporting procedures and staff consultation are the major workstreams currently and contingency plans depend on these progressing and being in place within the planned timeframes.

The Board noted that a quiet response from industry should not necessarily be seen as negative, particularly since many will be focused on meeting year-end targets. The Chairman acknowledged the work undertaken to date and the comprehensive programme ahead.

#### 3.2 Enforcement overview

The Board received a presentation on the current Enforcement overview and trends. The key headlines were:

- Information, Connection and Signposting Services (ICSS) constitute the highest caseload, closely followed by cases involving consent to charge breaches. There are currently 41 cases allocated for investigation.
- Prioritisation of cases is reviewed monthly. It is anticipated five of the 41 cases will be de-prioritised.
- The Executive are managing the current ICSS caseload and working toward clearing as many cases as possible by Code15 entering into force.
- Training and development programme for the team was noted, alongside new file tracking and new processes for case planning.

### **3.3 Consumer Panel Annual Report**

The Chair of the Consumer Panel gave her Annual Report to the Board, which noted the Consumer Panel has been in place for three years and feedback from the Panel is positive. Panel members feel valued and listened to by the Executive. The Panel like the style of meetings and the level of engagement also praised.

The Board were interested to hear how diverse the Consumer Panel membership is. The Chair acknowledged the newest member of the Panel has provided insight and perspective from the younger demographic. The Chair noted the group is comprised of six members which cannot be representative of all consumers, but the Panel have skills and experience that mean they are able to represent the interests of consumers more generally.

The Executive will be reviewing the panellist terms and recruitment opportunities will be carefully considered. The Board thanked the Chair of the Consumer Panel for the work of the panel and her report and the Executive for the implementation and smooth running of the panel.

### **3.4 Independent Complaints Assessor Annual Report**

The CEO presented the Independent Complaints Assessor's Annual Report. There have been no escalated complaints during 2021. The report noted and recognised improved engagement across the process.

## **4. Items for information**

### **4.1 Management Accounts Summary for the period ended 30th September 2021- as presented to Resources Committee on 10 November 2021**

The Board noted that the level of fines expected to be collected in 2021/22 will be sufficient to replenish the deficit that arose in 2020/21.

### **4.2 Risk Register as at November 2021 – as presented to Audit, Risk and Corporate Governance Committee on 11 November 2021**

The Board noted that the Risk Register will be updated at the end of the financial year to reflect the financial risks covered by the retained surplus at that point.

## **5. Any other business**

The Chairman noted this was Ann Cook's final Board meeting as her term of office concludes on 31 December. The Chairman thanked Ann Cook for her significant input and contributions to the Board and in her role as Chair of the ILP. Both the Board and the Executive extend their thanks and best wishes to Ann for the future.

The Board held a closed discussion.

**Date of the next meeting:** Wednesday 23 March 2022

**Action log**

**Actions carried forward from previous meetings**

**Status**

**Notes**

**Actions from 24 November 2021 meeting**