

Phone-paid Services Authority Consumer Panel Meeting minutes

Meeting 10 – 2 December 2020

10:00 – 12:00pm (via Microsoft Teams)

Panel Attendees

Rhian Johns
Patrick Bligh-Cheesman
Paul Eaves
Nicola Wilson
Louise Baxter
Fred Forbes

Executive Attendees

Simon Towler
Jonathan Levack
Emma Bailey
Katie King
Jo Prowse (at the beginning)
Angela Wood (minutes)

Minutes

Standing items

Introduction and apologies

1. The CEO thanked the Panel for their work during the year so far and wished them best wishes for the season.
2. It was suggested that the Chair of the Panel attend the PSA Strategy and Planning meeting each September on behalf of the Panel going forward.

Minutes

3. Meeting 8 minutes comments:
 - The Panel noted that they had discussed that the name Phone-paid Services Consumer Group is close to the name of the Panel, and asked for this to be added to the Minutes. The Panel also noted that they would like to keep a watching brief on whether the similarity causes any issues and asked that this be added to the Action Log.
4. Meeting 8 minutes were approved.
5. Meeting 9 minutes comments:
 - Paragraph 11 fourth bullet point – it should read legal entity not legal name.
 - Paragraph 21 – the PSA should consider requiring a complaints register which is available for inspection from time to time as part of its oversight processes, and consider having annual returns.
 - Paragraph 27 second bullet point – minutes should note that neither a company director nor owner that has been previously sanctioned should be able to operate.
6. Meeting 9 minutes were approved.

Action Log

7. The Panel asked that a watching brief be kept on any risks associated with the similarities between the name Phone-paid Services Consumer Group and PSA Consumer Panel.

Executive update

8. The Executive noted it continues to see complaints coming down and hope that means reduced consumer harm in the market. This is aligned with the MNO experience overall. Networks have put several measures in place to reduce customer complaints.

Services that were attracting complaints have now made changes or are no longer trading. The exception to this is around ICSS, where the Executive has seen an increase in complaints.

9. The Panel asked what percentage overall complaints have dropped by. The Executive noted around 50% – by in large this is a reaction to regulatory changes, DDRAC and enforcement.
10. There was discussion on ICSS and whether there is anything in the new Special conditions that aren't acting to reduce complaints. The Executive noted that one reason is bulk purchasing of numbers which is out of its control.
11. The Panel asked is there any particular thing, i.e. Covid, that has made the difference to ICSS complaint numbers. The Executive's experience is that there is often more ICSS activity around parcel delivery services, HMRC etc. at this time of year, but not a massive Covid trend.
12. The Panel asked about a complete ban on ICSS. The Executive explained that there would need to be primary legislation to do this, first you have to get agreement to do that and then get a Bill to hang it on – there is no sign of a Bill and so the prospect of a ban at this time is low.
13. The Panel asked if instead the PSA is able to go out with a really strong message to consumers saying not to use these services.
14. The Executive answered that it would be on difficult ground to take this position if these services are operating legitimately. The Executive instead advises consumers only to use these services when they are completely aware and satisfied with everything about them.
15. The Panel noted that a lot of the ICSS traffic is because people are trying to contact companies whose numbers may be difficult to find.
16. The Panel asked if the Executive expects ICSS complaints to go down with the introduction of Code 15, will there be less services? The Executive noted that they won't be harder to set up, but there will be pressure on the level above the ICSS to do robust DDRAC, which will enable the PSA to enforce at that level if there are issues.
17. The Panel asked as complaints are going down what do the PSA see themselves as down the line, especially when Code 15 has come into force.
18. The Executive noted that this is a good point. The Executive recognises that the market is maturing and requires a different regulatory approach which concentrates on prevention, noting however that harm is always likely to exist and that will require action to be taken.
19. The Home Office is launching a charter on how it deals with premium rate numbers, they want to get this launched in February. The Panel suggested the Executive link up with this.

20. The Executive updated the Panel on its recent Code 15 consumer webinar which was well-attended and included individual consumers, consumer advocates and consumer-focused organisations, and which it found to be a useful way of hearing from consumers.
21. The Panel commented that perhaps the Executive could consider how Code 15 could be communicated to the public as something a bit more meaningful because consumers do not recognise the name. The Executive agrees that for an industry audience it is clear but for a consumer it isn't.
22. The Executive updated the Panel on a new piece of legislation affecting its enforcement activity. Currently, if you are a business within the European Union, the country of origin is the member state whose law is the first port of call for enforcement activity. When the Executive has previously had problems with EU-based companies causing issues within the UK, it could not take any action on these without seeking the agreement of the relevant member state.
23. What the legal change means in practice is that everyone is on the same footing from January: it doesn't matter where the company is from, it will need to register with the PSA, and everything from day one will be enforced upon. This will reduce harm from companies based in EU countries.
24. The Panel asked about the Consumer Engagement Plan and how impacts will be measured. The Executive explained that it has spent time working on a baseline and now that's been collated it'll be able to draw a comparison and track the progress of its consumer engagement work.
25. The Panel asked about the progress on partner engagement. The Executive explained it is having discussions with Resolver.

Panel update

26. No items.

Items for discussion

Reflections on 2020 and ways of working – EB

27. The Executive explained that this discussion is an opportunity for the Panel to ensure that they get what they need from the Executive and to ensure that we work together well.
28. From the Executive's point of view, it has been a really good year. Following the last review, the Executive changed the agenda to ensure that the Panel could get involved in more in-depth conversations by taking a themed approach and allowing more time for this item and a policy item. The Executive asked whether the Panel feels that it gets enough opportunity to ask questions and discuss issues.

29. The Panel noted:

- it has been an effective year
- they would like to have more industry engagement
- it would like to measure the its impact and reflect to see where it was and where it is now
- the theme approach works well now and will continue to going forward
- it is interested in being involved in the development of the PSA's new supervisory approach and rules for registration
- everyone has a fair chance to speak and comment
- interest in learning about the MNOs
- it is impressed with how the PSA takes on board and responds to feedback, and feels the Panel is moving more into a strategic space which is good
- there is an opportunity to engage more with the corporate data it is provided
- there is the opportunity to further consider the diversity of the group
- the Panel has been well-focused through the transition to online meetings and would like to consider how it can harness these going forward.

Upcoming Panel priorities

30. The Executive asked the Panel if there are things that it would like to focus on in the next calendar and financial year.

31. The Panel noted it should look at the Business Plan when developing its priorities and seek to align activity.

32. Panel's suggestions:

- Code 15 as an ongoing priority
- the consumer engagement journey
- industry engagement
- ICSS – having a review point or deep dive in consumer journeys
- the new registration and supervision approach under Code 15
- complaints registers and the monitoring thereof
- a form of undertakings in the early stage of investigative complaints, could this attach some sort of responsibility to directors and owners?

- enforcement regime
- education around Code 15 - what does that look like and how do we measure the impact of that?
- impact of Code 15 on consumers
- industry future trends (as was considered in the first year)
- the role of consumer advocacy, there isn't an ombudsman so should there be someone looking at where the cracks are or another kind of consumer advocacy angle?
- consumer complaints - previously we talked about having a detailed review of how they are handled and how long they take - could we have a deep dive into the complaint data?
- a five-minute update on the national picture so that we are all up to speed at the beginning or the end of each meeting.

AOB

33. Emma wanted to thank the Panel for all of its hard work as this is her last Panel meeting, she will be leaving the PSA to take up a new role.