

# Consultation response form

## Consultation on draft Code 15

Please complete this form in full and return by email to [consultations@psauthority.org.uk](mailto:consultations@psauthority.org.uk) or by post to Barbara Limon, Phone-paid Services Authority, 40 Bank Street, London, E14 5NR.

Full name	██████████
Contact phone number	██████████
Representing	Organisation
Organisation name	UNITED KINGDOM COMMITTEE FOR UNICEF (UNICEF UK) Registered Charity Number 1072612(England and Wales) and SC043677 (Scotland)
Email address	████████████████████

If you wish to send your response with your company logo, please paste it here:

We plan to publish the outcome of this consultation and to make available all responses received. If you want all or part of your submission to remain confidential, please clearly identify where this applies along with your reasons for doing so.

Personal data, such as your name and contact details, that you give/have given to the PSA is used, stored and otherwise processed, so that the PSA can obtain opinions of members of the public and representatives of organisations or companies about the PSA's subscriptions review and publish the findings.

Further information about the personal data you give to the PSA, including who to complain to, can be found at [psauthority.org.uk/privacy-policy](https://psauthority.org.uk/privacy-policy).

## Confidentiality

We ask for your contact details along with your response so that we can engage with you on this consultation. For further information about how the PSA handles your personal information and your corresponding rights, please see our [privacy policy](#).

Your details: We will keep your contact number and email address confidential. Is there anything else you want to keep confidential?	Delete as appropriate:  <b>Your name</b>
Your response: Please indicate how much of your response you want to keep confidential.	Delete as appropriate:  <b>None</b>
For confidential responses, can the PSA refer to the contents of your response in any statement or other publication? Your identity will remain confidential.	Yes/No (delete as appropriate)

## Your response

Please enter your response to each of the consultation questions in the appropriate box below.

Consultation questions	Your response
<b>Proposed regulatory approach</b>	
Q1 Do you agree with our proposed regulatory approach relating to regulatory standards and requirements? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)

Q2 Do you agree with our proposed regulatory approach relating to service-specific requirements? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q3 Do you agree with our proposed regulatory approach relating to Guidance? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q4 Are there any areas where you consider that Guidance would assist with compliance with the standards and requirements?	Confidential? Yes/No (delete as appropriate)
Q5 Do you agree with our proposed regulatory approach relating to compliance support? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q6 Do you agree with our proposed regulatory approach relating to Best Practice information? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q7 Are there any areas where you consider that Best Practice information would be helpful?	Confidential? Yes/No (delete as appropriate)
Q8 Do you agree with our proposed regulatory approach relating to supervision and verification? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q9 Do you agree with our proposed regulatory approach relating to Code compliance: engagement and enforcement? Please provide an	Confidential? Yes/No (delete as appropriate)

explanation as to why you agree or disagree.	
Q10 Do you agree with our proposal to tailor our approach to regulation, including introducing Bespoke and General permissions as part of the draft Code? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q11 Do you have any comments about the existing permissions and exemptions under Code 14 and/or our proposed approach to ensuring certainty and clarity on their status under Code 15?	
Q12 Do you agree with our proposed regulatory approach to prior permissions? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
<b>Standards and requirements</b>	
Q13 Do you agree with our proposed Integrity standard and requirements? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q14 Do you agree with our assessment against the general principles which we set out in the discussion document? Do you have any further information or evidence which would inform our view?	Confidential? Yes/No (delete as appropriate)
Q15 Do you agree with our proposal to introduce a new transparency standard? Please provide an	Confidential? Yes/No (delete as appropriate)

explanation as to why you agree or disagree?	
Q16 Do you agree with our assessment of the transparency standard against the general principles which we set out in the discussion document? Do you have any further information or evidence which would inform our view?	Confidential? Yes/No (delete as appropriate)
Q17 Do you agree with our proposal to introduce a new fairness standard? Please provide an explanation as to why you agree or disagree?	Confidential? <b>No</b>  <b>See response below</b>
<p><b>INTRODUCTION</b></p> <p>The UK Committee for UNICEF (UNICEF UK) is a registered charity that raises funds for UNICEF's emergency and development work around the world and advocates for lasting change for children worldwide. UNICEF works with families, local communities, partners and governments in more than 190 countries to help every child realise their full potential. In everything we do, the most vulnerable children and the countries in greatest need have priority.</p> <p>UNICEF UK are responding to this consultation because phone-paid services are an important part of our fundraising, with both one-off and regular giving via text donations offering significant choice and flexibility for our supporters.</p> <p><b>1.0 RESPONSE</b></p> <p>We now have over 125,000 supporters giving monthly by recurring donation, raising around £5 million for our work with children each year. The experience of UNICEF UK has been that these donations raise very few concerns or queries from supporters due to the ease with which they are able to manage the giving process. We were pleased to note from the Consultation document that the PSA have seen a significant drop in complaints about subscriptions, following the introduction of the new Special Conditions on Recurring Donations and Guidance on Subscription Services in 2019.</p> <p>UNICEF UK wholeheartedly support the introduction of a new overarching fairness standard into the Code. We are committed to ensuring all individuals who support us through phone-paid donations are fully informed prior to giving their consent to charge. We take care to review all fundraising materials to ensure these display the necessary information clearly and appropriately</p>	

However, the proposal to require consumer consent to be re-established every 12 months for all subscription services including recurring donations does present a significant concern for UNICEF UK in relation to recurring donations for charities, as set out here.

- 1.1 **There are very low levels of complaints relating to phone-paid charity donations** suggesting supporters are already well informed about their donations and how to make any changes to their giving. The PSA received zero complaints in 2020/21 relating to charity donations. UNICEF UK have not received any complaints about a phone-paid recurring donation subscription not coming to an end. As with other regular giving payment types, it is the expectation of the supporter that their giving continues until such time as they choose to cancel.
- 1.2 **Prior change makes this unnecessary** – the new Special Conditions for Subscriptions introduced by the PSA in 2019 included recurring donations and have already worked to strengthen consent to charge (introducing a double opt-in to initiate a gift) and receipting processes. Therefore, we consider that an additional requirement for supporters to re-opt in every 12 months is unnecessary. This analysis is also acknowledged in the consultation document, *'We have seen a significant drop in complaints about subscriptions, following the introduction of new special conditions and guidance on subscription services'*<sup>1</sup>.
- 1.3 **There is no set renewal period of one year for a recurring phone-paid donation.** The Competition and Markets Authority are currently reviewing the issue of subscription traps and are seeking to address concerns about anti-competitive practices, for example around the renewing of contracts for car and home insurance. We do not believe this is intended to apply to charity donations. Charities do not automatically increase a supporter's giving amount over time, therefore any changes to a gift would only be made with the individual's prior consent.
- 1.4 **No other payment mechanism requires this** – the proposed changes do not apply to any other payment types such as direct debits, standing orders or credit card regular donations. We consider that the introduction of a re-opt in every 12 months would mean phone-paid recurring donations would be less favourable than other payment types and would likely see charities move away from this as a payment type. As a result, we anticipate that, over time, the proposed changes will significantly reduce the size of the phone-paid charity donations market (currently worth £40.1 million in 2019-20<sup>2</sup>). Furthermore, this would negatively impact the money allocated towards our charitable work as well as **reducing the choice and flexibility this method of giving provides for the public**. For charities, there are also significant costs of implementation to be considered, with our estimate for UNICEF UK putting this at £20,000 per year.
- 1.5 **Recurring donations are transparent and visible to supporters** as set out in the Special Conditions for Recurring Donation Services that all charities, including UNICEF UK operate under. People who donate receive monthly reminder messages giving them the option to SKIP twenty-four hours prior to when the individual is due to be charged. Additionally, receipting messages are sent after every charge and the STOP command is always available. This means supporters have choice and flexibility in how, and when, to give and are able to exit the subscription at any time. We consider that these processes already offer much greater transparency than other payment types.

<sup>1</sup> PSA Code 15 Consultation document, Paragraph 215

<sup>2</sup> PSA's Annual Market Review 2019-20, August 2020

- 1.6 We believe in light of these features, a **requirement to re-opt in every 12 months is counter-intuitive – and is also contrary to what existing subscribers have been told** – that their gift will continue each month, unless they choose to SKIP. It is anticipated that high number of supporters will not respond to an opt-in message that they are not expecting, and charity donations will suffer because of it.
- 1.7 **Requiring a double opt-in for the re-establishing of consent to charge every 12 months is impractical.** For the majority of those giving by recurring phone-paid donation only a mobile number is held. This would mean sending supporters an SMS asking them to reply YES to continue their giving and then if they do so, sending a further message asking them to reply YES for a second time, which we suggest is unnecessarily complex and a poor supporter experience.

## 2.0 ALTERNATIVES TO RE-ESTABLISHING CONSENT EVERY 12 MONTHS

We note that the PSA have observed that despite the strengthened requirements around subscriptions, there are still complaints about consumers being unknowingly subscribed to services. UNICEF UK would therefore suggest that the following options be explored:

- 2.1 **RECOMMENDATION:** Instead of re-establishing consent every 12 months, more emphasis on the requirements for promotional material is provided for within Code 15 to ensure all consumers are fully informed prior to starting a phone-paid subscription.
- 2.2 **RECOMMENDATION:** Similar provisions to those required for recurring donations could be extended to other subscription types, with messages highlighting charges ahead of time.
- 2.3 **RECOMMENDATION:** A message every 12 months could be either required, or recommended as best practice, to remind consumers about their subscriptions on an annual basis but without a requirement for a re-opt in.
- 2.4 **RECOMMENDATION:** If Code 15 maintains the requirement of re-establishing consent to charge every 12 months, we suggest a double opt in is not required. Instead, we propose this should follow the same approach as for converting a one-off donation to a recurring donation, requiring just one SMS response. This would be on the basis that in re-establishing consent the provider has confirmed the name of the charity, the cost and frequency of the recurring donation and made clear that the recurring donation will continue to be charged to the consumer's mobile phone bill.

Q18 Do you agree with our assessment against the general principles which we set out in the discussion document? Do you have any further information or evidence which would inform our view?	Confidential? Yes/No (delete as appropriate)
Q19 Do you agree with our proposal to introduce a new customer care standard? Please provide an explanation as to why you agree or disagree?	Confidential? Yes/No (delete as appropriate)
Q20 Do you agree with our assessment of the proposed new customer care standard against the general principles which we set out in the discussion document? Do you have any further information or evidence which would inform our view	Confidential? Yes/No (delete as appropriate)
Q21 Do you agree with our proposal to introduce a new vulnerable consumers standard? Please provide an explanation as to why you agree or disagree?	Confidential? Yes/No (delete as appropriate)
Q22 Do you agree with our assessment of the proposed new vulnerable consumers standard against the general principles which we set out in the discussion document? Do you have any further information or evidence which would inform our view?	Confidential? Yes/No (delete as appropriate)
Q23 Do you agree with our proposal to introduce a new consumer privacy standard? Please provide an	Confidential? Yes/No (delete as appropriate)



explanation as to why you agree or disagree?	
Q24 Do you agree with our assessment of the proposed new consumer privacy standard against the general principles which we set out in the discussion document? Do you have any further information or evidence which would inform our view?	Confidential? Yes/No (delete as appropriate)
Q25 Do you agree with our proposal to introduce a new prevention of harm and offence standard? Please provide an explanation as to why you agree or disagree?	Confidential? Yes/No (delete as appropriate)
Q26 Do you agree with our assessment of the proposed new prevention of harm and offence standard against the general principles which we set out in the discussion document? Do you have any further information or evidence which would inform our view?	Confidential? Yes/No (delete as appropriate)
Q27 Do you agree with our proposal to introduce a new organisation and service information standard? Please provide an explanation as to why you agree or disagree?	Confidential? Yes/No (delete as appropriate)
Q28 Do you agree with our assessment of the proposed new organisation and service information standard against the general principles which we set out in the discussion document? Do you have any further information or evidence which would inform our view?	Confidential? Yes/No (delete as appropriate)

Q29 Do you agree with our proposal to introduce a new DDRAC standard? Please provide an explanation as to why you agree or disagree?	Confidential? Yes/No (delete as appropriate)
Q30 Do you agree with our assessment of the proposed new DDRAC standard against the general principles which we set out in the discussion document? Do you have any further information or evidence which would inform our view?	Confidential? Yes/No (delete as appropriate)
Q31 Do you agree with our proposal to introduce a new systems standard? Please provide an explanation as to why you agree or disagree?	Confidential? Yes/No (delete as appropriate)
Q32 Do you agree with our assessment of the proposed new systems standard against the general principles which we set out in the discussion document? Do you have any further information or evidence which would inform our view?	Confidential? Yes/No (delete as appropriate)
<b>Supervision</b>	
Q33 Do you agree with our proposed general approach to supervision? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q34 Do you agree with our proposed compliance monitoring methods? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q35 Do you agree with our proposals on reporting and	Confidential? Yes/No (delete as appropriate)

notification requirements? Please provide an explanation as to why you agree or disagree.	
Q36 Do you agree with our assessment of our proposed new supervisory function against the general principles which we set out in the discussion document? Do you have any further information or evidence which would inform our view?	Confidential? Yes/No (delete as appropriate)
<b>Engagement and enforcement</b>	
Q37 Do you agree with our proposed approach on engagement and enforcement? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q38 Do you agree with our proposed changes to settlement? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q39 Do you agree with our proposals to strengthen the existing interim measures regime? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q40 Do you agree with our proposals to introduce a new "single decision maker" as an alternative to the full Tribunal for more straightforward cases? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q41 Do you agree with our proposal to reduce the range of circumstances in which a provider can request an oral hearing? Please provide an	Confidential? Yes/No (delete as appropriate)

explanation as to why you agree or disagree.	
Q42 Do you agree with our proposal to expand the test for prohibiting a relevant individual from the industry? Please provide an explanation as to why you agree or disagree	Confidential? Yes/No (delete as appropriate)
Q43 Do you agree with our proposal to strengthen and expand our information gathering powers (including for the purpose of supervision/engagement and enforcement)? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q44 Do you agree with our provisional assessment of our proposals relating to: (i) engagement and enforcement proposals; and (ii) additional powers, responsibilities and obligations – against the general principles which we set out in the discussion document? Do you have any further information or evidence which would inform our view?	Confidential? Yes/No (delete as appropriate)
<b>Other general Code considerations</b>	
Q45 Do you agree with our proposals on general funding arrangements? Do you have any further information or evidence which would inform our assessment of our proposals on general funding arrangements?	Confidential? Yes/No (delete as appropriate)
Q46 Do you agree with our proposals on amending our current terminology to better reflect the	

current phone-paid services value chain? Please provide an explanation as to why you agree or disagree?	
Q47 Do you agree with our proposal to retain the rules of the current Notice of specific service charges and durations of calls within Annex 1 of Code 15? Please provide an explanation as to why you agree or disagree.	Confidential? Yes/No (delete as appropriate)
Q48 Do you agree with our proposal to include a broad amendment power in Code 15 to facilitate more efficient amendments to single or small numbers of specific Code provisions? Please provide an explanation as to why you agree or disagree.	
<b>Impact assessment</b>	
Q49 Are there other impacts which we have not considered in relation to our proposal to move from a regulatory approach based on outcomes to one based on standards? If so, please provide appropriate evidence of the likely impact of the change.	Confidential? Yes/No (delete as appropriate)
Q50 Are there other impacts which we have not considered in relation to our proposal to focus on prevention of harm rather than cure? If so, please provide appropriate evidence of the likely impact of the change.	Confidential? Yes/No (delete as appropriate)
Q51 Are there other impacts which we have not considered in relation to our proposal to move to a new	Confidential? Yes/No (delete as appropriate)

Code which is simpler and easier to comply with? If so, please provide appropriate evidence of the likely impact of the change.	
Q52 Are there other impacts which we have not considered in relation to our proposed changes to our investigations and sanctions policies and procedures? If so, please provide appropriate evidence of the likely impact of the change.	Confidential? Yes/No (delete as appropriate)
<b>Equality impact assessment</b>	
Q53 Do you agree with our provisional assessment on the impact of our proposals in relation to equality? Do you have any further information or evidence which would inform our view?	Confidential? Yes/No (delete as appropriate)
<b>Next Steps</b>	
Q54 Do you agree with our proposal to set out transitional arrangements that allow the new Code procedures to apply from the commencement date to all investigations and/or complaints or monitoring which commenced under Code 14?	

### Submit your response

To send your responses to the PSA please email this completed form to [consultations@psaauthority.org.uk](mailto:consultations@psaauthority.org.uk) or by post to Barbara Limon, Phone-paid Services Authority, 40 Bank Street, London, E14 5NR.