



Sarah-Louise Prouse
Phone-paid Services Authority
c/o Ofcom
Riverside House
24 Southwark Bridge Road
London
SE1 9HA

11 May 2023

By email only to: consultations@psauthority.org.uk

Dear Sarah-Louise,

Phone-paid Services Authority's (PSA) consultation on Code 15 amendments to Requirement 3.2.10 and Annex 1: Specified service charges and durations of calls

Please find below Virgin Media O2's response to the PSA's consultation ("the Consultation") relating to the above.

VMO2 agrees that measures need to be taken to address the harm or potential harm posed by ICSS providers. VMO2 emphasises that focus on remediation should be targeted on providers of these services. Network providers, such as VMO2, should not be used as a proxy to address the failures of these providers to protect consumers.

VMO2 calls for consideration to be given by the PSA and Ofcom to ban ICSS altogether, as they provide little to no benefit to consumers, in regard to the "services" provided. This could be a crucial element in meeting Ofcom's objectives in tackling nuisances calls and scams, which have been a recent focus on the regulatory agenda and also the concerns highlighted in the Consultation. Failing an outright ban, VMO2 would strongly suggest an improved mechanism for increased due diligence by the networks that host such numbers and that ICSS providers themselves are subject to much stricter controls as a way of attempting to mitigate the impact these "services" have on consumers.



Regarding ICSS providers seeking a positive opt in prior to onward connection, VMO2 has no objection to this proposal, as long as the requirements are imposed on the ICSS provider and network providers are not used to facilitate remediation in this space.

VMO2 agrees in principle with the information that the PSA proposes be required to be included in the consumer alert prior to opt-in to ensure transparency and consumer awareness, as long as the responsibility for implementing this requirement resides with the ICSS provider.

Free pre-call announcements

It is, in theory, technically possible to implement such announcements, but at significant cost and significant development to network operators. We are strongly of the view that it would be disproportionate to impose this cost on network providers. Moreover, these announcements would not be ICSS specific and would have to contain generic information rather than tailored to each specific service being provided. The effectiveness of them in addressing harm caused by ICSS is therefore questionable. On that basis it would be more appropriate to impose the requirement on the ICSS provider to provide specific information relating to the service the customer is intending to call. Virgin Media already provides free access to Directory Enquiries to enable consumers to access the relevant numbers for organisations that they are trying to reach, without having to use ICSS. Our customers therefore already have access to a facility that serves the same purpose as ICSS, but without the (in many cases unexpected) cost. This, in our view, adds to the case for an outright prohibition of ICSS.

Development teams are already significantly stretched in delivering other critical regulatory projects, such as the Telecoms Security Act requirements and therefore implementation of pre-call announcements is likely to take significant time to implement, should the PSA decide to impose a requirement on network operators.

Capping the service charge of all ICSS call at £40 and information prior to onward connection

Using the £40 cap, which is ultimately designed for services customers actively seek to engage with, such as chatlines and sexual entertainment services, does not appear to address the issue of customers being duped by the way these ICSS providers tout themselves. Ultimately, if the issue here is that the



customer is unaware that they are not in fact calling the organisation they intend to call directly, they are still incurring a significant, unexpected cost. This is why VMO2 is calling for ICSS services to be removed from the market entirely. If the PSA considers, despite this, that the £40 cap is proportionate and addresses the issue then in the spirit of transparency ICSS providers should notify customers what will happen when a cap is reached. However, this appears to create further detriment in that customers are likely to seek to reconnect and incur even more charges which VMO2 argues seems counter intuitive.

Yours sincerely,

[Redacted signature]

VMO2