

Registration with PSA
Consultation on proposed
changes to information required

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1. Introduction

- 1.1. The Phone-paid Services Authority's (PSA) primary function as a regulator is consumer protection. Our vision is a healthy and innovative market in which consumers can charge content, goods and services to their phone bill with confidence.
- 1.2. Our mission is two-fold:
 - to protect consumers from harm in the market, including where necessary through robust enforcement of our Code
 - to further their interests through encouraging competition and growth in the market.
- 1.3. To deliver this mission, we require, through Registration, all organisations to provide timely and accurate information about themselves and the services they provide. This core information is separate from any other requests for information the PSA may make, e.g. in terms of consumer engagement with individual services or in relation to investigations.
- 1.4. We have conducted an internal review of the information we currently require as part of Registration and identified the additional information which we need to receive to enable us to better fulfil our mission. Although the current Code allows for the PSA to require this additional information, we wish to give organisations the opportunity to ensure that we have fully identified all relevant information, and at the same time that we are not making unreasonable or unduly onerous demands around the provision of the information. This document is therefore a consultation on the changes we propose to make and the impact they may have on organisations.
- 1.5. We will continue to deliver on our value for money commitment by delivering within budget any system changes arising from this review.

2. Background

- 2.1. The 12th Code of Practice, launched on 1st September 2011, included specific requirements for parties in the premium rate value chain to register their organisation details and services (“Registration”). At the same time, the PSA’s systems were developed to enable this Registration process to be completed online and to a standard template.
- 2.2. Section 3.4 of the current 14th Code of Practice sets out Registration requirements, attached as **Appendix A**. The PSA will continue to assess any potential breaches in a fair and proportionate way, but intend as part of this review to ensure that fairness in the market and regulatory effectiveness are supported through full Registration compliance.
- 2.3. Our internal review of Registration requirements was based on the objectives set out in section 3 below. To meet these objectives, we propose:
 - to require all parties to submit enhanced organisation information, including self-identification as to their operations as a Network and/or Level 1 provider and/or Level 2 provider (although the PSA reserve the right to decide this under 5.3.8 (c) of the Code)
 - to require all Level 2 providers to submit detailed information about each individual service they provide.
- 2.4. The proposed new Registration requirements are set out in section 4 below. To date, the PSA has requested Registration information to be provided through two online forms:
 - Organisation Details
 - My Number Checker (Register Premium Rate Numbers/Who else is involved with your numbers/More Voluntary Information)

Our intention is to completely redesign the online submission of Registration information, with the aim of ensuring all relevant fields are presented clearly and with ease of completion.

- 2.5. Section 5 sets out the PSA’s current policy on (a) exemption from Registration and (b) exemption from paying the annual Registration fee. This section has been included for completeness only and the current policy set out does not form part of this consultation. Although the PSA are not seeking views on its current exemption policy, we will continue to review it and may decide to seek views in relation to it at a later stage.

3. Registration objectives

3.1. Registration was introduced seven years ago and has not been reviewed since. In that time the phone-paid services market has seen significant change, and the PSA's regulatory approach has changed accordingly. Industry stakeholders demand enhanced information and we are now in a position where market data is used more effectively for policy and regulatory decisions.

3.2. We have therefore reviewed our objectives for Registration, to ensure they fit with our regulatory approach under Code 14. In doing so we have concluded that the limited current level of mandatory information required is not sufficient for us to achieve the following:

3.2.1. Increased consumer confidence

Consumers should be able to access and rely on information about the services they have engaged with and the organisations that have provided these services. The provision of this information through Registration should be comprehensive, timely and accurate and allow the PSA to make it available through an online interrogation facility (which to date has been the Number Checker, but in the future may be expanded to allow consumers to query, e.g. brand name or service URLs as well as service numbers).

3.2.2. Effective market analysis

Effective regulation needs to be underpinned by timely, accurate and detailed market information. Registration should support the ability for the PSA to fully understand and analyse the market it regulates, particularly around the types of services operating in the market and the number of providers operating within each sector and enable the PSA to take well informed regulatory decisions.

To further support this, we have undertaken a review of the service type categorisation applied in the Annual Market Review. Registration will require each service to be identified against this new categorisation, as set out in Appendix B.

3.2.3. Intelligent monitoring

Registration should support the effective and efficient targeting of limited monitoring resources, through establishing a comprehensive database of services provided in the market.

By definition, any service operating in the market and not registered with the PSA will be in breach of our Code and subject to our investigation and enforcement procedures.

3.2.4. Efficient application of Code processes

Registration should support and enable the timely and accurate application and enforcement of the Code of Practice, with clarity and certainty of participating organisations. We aim for all administrative delay to be minimised.

3.2.5. Effective due diligence

Alongside additional information provided by the PSA (e.g. breach history), Registration should support effective due diligence – both for those undertaking the due diligence research and for those organisations subject to the research. Our aim is to fully support the value chain in the consideration of their contractual relationships, and to minimise the participation in the market of non-compliant organisations and individuals.

4. New Registration requirements

4.1. Our plan is for the new Registration requirements to come into force from 1 April 2018, i.e. the start of the new financial year, to allow for full year on year market analysis.

4.2. We propose a transition period of three months (i.e. to 30 June 2018) to ensure that organisations have sufficient time and notice to:

- renew their Registration under the new requirements, or
- update their existing Registration to meet the new requirements.

4.3. A new Registration form will be designed and made available. All information fields will be mandatory where relevant.

4.4. The proposed Registration requirements from 1 April 2018 are as set out below. Either individually or collectively, they are intended to ensure delivery of the objectives set out in 3.2 above. New information areas are highlighted in bold and please note that at this stage these areas are not necessarily specific fields, since these will be developed as per 2.4 above.

4.4.1. Organisation details

For each organisation operating in the phone-paid services market:

- Organisation name
- Company registration number
- Registered Charity number
- Trading names, if different from Organisation name
- Organisation address
- **Primary contact details**
- **Regulatory contact details**
- Responsible Person details
- Registration fee classification (to determine possible exemption from paying the annual Registration fee)
- **Organisation identification in the value chain (Network and/or L1 and/or L2).**

4.4.2. Service details

For each individual service provided by Level 2 organisations:

- Service name
- Service description (free text)
- Brand name(s)
- Service type (as per Annual Market Review categorisation – see **Appendix B**)
- **Payment mechanic**
 - **PSMS**
 - **Direct Carrier Billing**
 - **App store**
 - **Voice shortcode**
 - **09 number**

- **087 number**
 - **118 number**
- **Number/number ranges relevant to payment mechanic**
- **URLs relevant to payment mechanic**
- **Other relevant identifier codes**
- **Service flows**
- **Service delivery messages**
- **Payment frequency (i.e. one-off or subscription)**
- **Service pricing**
- **Other service terms and conditions**
- **Level 1 provider(s) (mobile)**
- **Level 1 provider/terminating network (09/087/118 numbers)**
- **Networks (all networks or individually specified networks)**
- **Any other associated providers in the value chain**
- **Any relevant support organisations (e.g. technical support)**
- **Country service is being provided from**
- **Customer service details**
- **Service promotion details**
 - **Description/image of hard copy promotional material**
 - **How promoted – direct media buying, affiliates, SEM, print, mailshots, e-mail, market lists etc.**
 - **Contact details of promotional companies and copies of contracts**
 - **Service/promotion start/end date.**
- **Company used for consent to charge and copies of contracts.**

4.5. To support organisations with large volumes of individual services and/or number ranges/URLs the PSA will continue to offer a bulk upload facility as an alternative to completing the Registration form.

4.6. The PSA is able to require specific registration information (both those proposed and existing) by virtue of paragraph 3.4.6 of the Code. Organisations are reminded that other registration provisions of the Code (see section 3.4) will continue to apply, including the requirement to renew registration annually and to provide the service information (i.e. those at 4.4.2 above) and any updated changes to the PSA within two working days of the service becoming accessible to consumers or change to the information (see Code para 3.4.14).

5. Registration exemptions

5.1. All Network operators, Level 1 and Level 2 providers must register with the PSA, except:

- (a) Level 2 provider organisations solely providing services on 0870/1/2/3 numbers, and that those services do not fall within the Special conditions of the Code.

Special conditions are applied to certain types of service where the PSA is satisfied after public consultation that there is an increased potential for consumer risk, harm or offence. Each Special condition regime is unique to the risks presented by the service types and is set out in Notices. These services currently are:

- Broadcast PRS
 - Call TV Quiz services
 - Credit Broking Services
 - Information, Connection and Signposting Services
 - Live Entertainment and Chat Services
 - Online Adult services
 - Online Competition services
 - Pay Per View Services
 - Professional services
 - Recurring Donations
 - Remote Gambling
 - Subscription services.
- (b) Level 2 organisations solely providing services through an app store, and where the app store provider has successfully applied to the PSA for such an exemption.
 - (c) Level 2 organisations solely providing services through a single Level 1 organisation and where that Level 1 organisation has successfully applied to the PSA for such an exemption.
 - (d) Level 2 organisations solely providing voice shortcode services costing less than 20p per minute.

Note that if an organisation is not exempt from Registration because it provides services other than those described in (a) to (d) above, it is not required to Register the services described in (a) to (d) above.

5.2. All Registered organisations must pay the annual Registration fee, except for:

- (a) charities registered with the UK Charity Commission, the Scottish Charity Regulator or the Charity Commission for Northern Ireland
- (b) organisations with gross outpayment receipts from phone-paid services activity of £10,000 or less in their first year of activity in the phone-paid services market.

5.3. Even if exempt from Registration or payment of the Registration fee, all organisations must still comply with the Code.

6. Consultation process

6.1. We welcome responses to the following questions:

Q1 - Do the proposed new registration requirements support the objectives set out?

Q2 - Are there information fields missing that would further enhance the achievement of the stated objectives?

Q3 - In the context of the service information already available and shared within the value chain, do you consider provision of any of the proposed new registration requirements to be unreasonable or unduly onerous? If so, which requirements and why?

Q4 - What additional administrative support could or should PSA provide to allow service providers to comply with the new registration requirements on a reasonable basis?

Q5 - Do you have any further comments?

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

6.3. The closing date for responses is **9th February 2018**, which is designed to allow the time necessary to issue notices regarding changes in good time for the start of the financial year on 1 April 2018.

6.4. Where possible, comments should be submitted in writing and sent by e-mail to:

Michael Pemberton at mpemberton@psauthority.org.uk

Copies may also be sent by mail to:

Michael Pemberton
Head of Contact Management
Phone-paid Services Authority
25th Floor, 40 Bank Street
London E14 5NR

Tel: 020 7940 7407

If you have any queries about this consultation, please telephone or e-mail Michael Pemberton using the above contact details.

Appendix A: 14th Code of Practice section 3.4

3.4

Registration

3.4.1

Before providing any PRS all Network operators, Level 1 and Level 2 providers must register with the PSA subject only to paragraph 3.4.3 below.

3.4.2

The PSA may make exemptions from the duty to register in accordance with paragraph 3.4.3.

3.4.3

The PSA may identify particular categories of Premium rate service providers and the circumstances in which the duty to register will not apply to them (“the exemption”).

3.4.4

Premium rate service providers who fall within the exemption by virtue of paragraph 3.4.3, are not, in relation to any PRS to which the exemption applies, required to register with the PSA.

3.4.5

The PSA will publish on its website a full up-to-date list of exemptions.

3.4.6

Registration will require the provision of such information as the PSA may from time to time require for the purpose of efficient and effective regulation of PRS.

3.4.7

Information provided to the PSA for the purposes of registration must be updated as soon as practicable.

3.4.8

Registration must be renewed annually or at intervals determined by the PSA.

3.4.9

The PSA will make a reasonable charge for such registration and for annual renewal of registration. The PSA will set the amount of the charge, giving reasonable notice to interested parties. All Network operators, Level 1 and Level 2 providers who wish to register must pay the charge.

3.4.10

All breaches of this edition and any previous editions of the Code by a Premium rate service provider and any sanctions imposed under them will be linked to that provider’s registered details together with any relevant information arising from adjudications concerning associated individuals or any other relevant information which is publicly held, for such time as the PSA shall determine.

3.4.11

Certain categories of information held on the PSA Register under this provision will be accessible at any time by relevant parties or regulators and any law enforcement agency with a legitimate interest.

3.4.12

A registered party which is not providing any PRS or is providing a PRS which operates only within an exemption may de-register at any time but their details will continue to be held by the PSA for a reasonable period.

3.4.13

The PSA may make clear on the Register any sanction imposed under the Code (this edition and any previous editions) and any failure to renew registration within such period as the PSA may reasonably require and may identify any director partners or other associated individuals involved.

3.4.14

Numbers

- (a) Level 2 providers must, within two working days of the service becoming accessible to consumers, provide to the PSA relevant details (including any relevant access or other codes) to identify services to consumers and must provide the identity of any Level 1 providers concerned with the provision of the service.
- (b) The PSA will include all such details on the PSA register and those details will be available to be checked directly by consumers.
- (c) Whenever the information provided under sub-paragraph 3.4.14(a) above changes, the updated information must be provided to the PSA within two working days of the change.

Appendix B: New Annual Market Review categorisation

Sexual Entertainment (including "Glamour")

Content of an adult nature

- Adult chat
- Adult recorded audio content
- Adult Videos and Films
- Adult Pictures
- Adult Cams
- Adult Virtual Reality
- Glamour pictures
- Other Adult

Personal and Relationship Services

Content or information personal to the user, including dating, chat and tarot services

- Dating services
- Chat
- Other Dating or Flirt
- Tarot/Astrology

Betting, Gambling or Lotteries

Chance-based services paid for via your mobile device

- Betting
- Society lottery (licensed by the Gambling Commission)
- Society lottery (licensed by the Local Authority)
- Betting tips
- Other Betting or Lotteries

Competitions and Quizzes

Competitions entered on or offline

- Competition or quiz discovered and consumed online
- Competition or quiz promoted offline
- Skill-based competitions
- Other Competitions and Quizzes

TV and radio engagement and competitions

Broadcast competitions, voting and other interaction

- TV or Radio competitions
- TV or radio show voting or interaction

Games

Games (and games credits) purchased and charged to your mobile bill

- Games on social media
- Games portal
- Single game purchase
- Online game
- Download game
- Game Credits
- Games (Console Purchases)
- Other Games

Device Personalisation & security

Content or services for your device

- Ringtones
- Ring back tones
- Wallpapers
- Battery
- Device protection

- Other device personalisation
- Multi personalisation Portal
- Other Device Products

Entertainment

Music, video and other rich media

- Music streaming
- Music downloads
- Music videos
- TV channels
- TV content
- Films
- Video clips or compilations
- Virtual Reality
- Multi-Entertainment
- Books
- Other Entertainment

Information, news and education

Content or services to inform or educate the user

- Weather
- News
- Travel
- Sport
- Stocks and shares
- Betting tips
- Q&A
- Books
- Newspapers and Magazines
- Newspapers and Magazines individual articles
- Education - B2B training
- Education - Kids
- Education - language
- Education - other learning
- Employment
- Property
- Alerts
- Other Information and Help

Assistance

Services to assist the user, like customer services, directory enquiries (118) and connection services

- Directory Enquiries
- Customer service - technical help
- Customer service - professional services help
- Customer service - pre-sales advice
- Customer service - B2B
- Customer service - other help
- ICSS - helplines only
- ICSS - call recording
- Other assistance

Lifestyle

Content or services to assist with consumer wellbeing, including fitness, health and other lifestyle products

- Fitness
- Health and wellbeing
- Food and recipe
- Other Lifestyle

Digital payments

Payments for goods and services directly onto your mobile bill

- Low cost international or reverse charge calls
- Gift cards
- Virtual gifts
- Virtual currencies
- Vouchers
- Other digital payments

Tickets

Payments for tickets charged directly onto your mobile bill

- Parking
- Transport tickets
- Live Event tickets (Concerts etc)
- Entertainment tickets (Cinema etc)
- Other tickets

Charity Donations

Text-based donations

- Charity Donations