

Dear Peter

Action 4 welcomes this opportunity to respond to your Business Plan and Budget 2018/2019 a Public Consultation.

As a membership driven trade association representing commercial businesses operating within the Premium Rate telephony sector we are starkly aware that effective regulation is intrinsically linked to the good levels of industry and consumer trust and in turn a buoyant industry. All attempts to positively present PRS in a good light is always welcome and feel as an industry that perhaps an award event to recognise innovation, customer care and, good compliancy within the industry should be considered.

Q1 – Do our plans for 2018/19 sufficiently deliver our role as a regulator? What else do you think we should be doing or not doing?

Your plan is clear in what you want to achieve but as we are all too well aware your level of work can change rapidly according to what happens in the market place and whether one provider or type of service causes issues. Words are easy to write but sometimes the best laid plans of mice and men do go awry. As always engagement and transparency with the industry will enable you to be able to predict market trends and it is clear in your document you want to continue to work towards achieving this.

Q2 – Do you have any comments on the proposed budget for 2018/19? If you recommend any changes, please clearly identify which areas of activity you expect this to impact upon.

As always we question the rationale of you being based in London you could significantly lower your rental budget from £418,988 by moving outside of London, technology now means as with happens within many telecoms companies that fund you, their employees can be home based. We believe you should also consider this approach in order to lower costs.

Q3 – Do you have any comments on the proposed levy for 2018/19?

We question the levy in light of yet another year of the market decreasing in size. It seems incredible that in 2014/2015 the industry was worth circa £763.7 million yet regulation cost £4,444,465. You now estimate the industry in 2018/2019 to be worth £410 Million yet regulation is to cost £3,849,585 this figure seems disproportionate and we believe as an organisation that you need to look at costs very carefully again.

Q4 – What is your view on the estimated size of the market for 2018/19?

We agree with your projection that the market size will yet again decrease this is disappointing and one has to wonder if the complexity and level of new legislations such as GDPR and PSD2 along with BREXIT and over regulation are making providers nervous.

Q5 – Do you have any other comments on the Business Plan and Budget 2018/19?

When looking at the split of regulatory activity our main and recurrent comment is that PSA should always strive to offer effective, proportionate and best value regulation. Which means keeping costs firmly confined within their scope of regulation and remit; PSA must not be drawn into other arenas of regulation. As we have previously suggested it would we believe, be a useful exercise for an independent chartered accountant to review your budget.

Echoing our comments above we are very happy to see a collaborative approach to regulation which will explore the potential of working with the ILP and industry and are pleased to note the commitment to share information with stakeholders.

Regards

Suzanne



Suzanne Gillies
C.E.O