

Thank you for the opportunity to provide feedback on your proposed strategic plan. I am doing so as a consultant active in the field of telephony services, although my company is not directly a provider of such.

As previously, it isn't much of a "plan" - more a set of "high level objectives". If it should be a plan it needs more in the way of actions and milestones. However, I don't think your intent is to provide a plan per se, so perhaps the name is something of a misnomer and should possibly be re-considered.

On the specifics, it seems reasonable as a set of high level objectives. On the detail a couple of anomalies popped out:

Question 3 asks: "Do you agree with PhonepayPlus' proposed mission statement for 2014-17? If not, what alternative would you propose and why?". In general I do agree, but there should be an onus on service providers to inform customers - whether that is about price, differences in service levels, whatever. You use the example of an app that is bought by different payment methods opening a "loop hole" in regulation that could be exploited. In the interim (before new legislation can be provided), there needs to be a requirement on service providers to highlight that PhonepayPlus protection is only offered through the regulated method(s) of purchase and no action to try to discourage users from choosing regulated methods (for example, through differential pricing, which you hint at, but don't explicitly state). It should be the same price (which you could cover more specifically) and the additional protections highlighted by service providers where differential regulatory regimes exist. This may also encourage compliant service providers to voluntarily submit to premium rate regulation for sales which would not normally be covered as such, to the benefit of consumers.

Question 4 considers the core values statement and proposes some changes and enhancements. In general these look OK, but the "Intelligent" statement is somewhat ambiguous and the use of the term "pragmatic and commercially aware" appears contrary to the "Credible and Trusted" statement about being transparent and the "Intelligent" statement itself about acting on the basis of evidence. I have no objection to clear and reasonable guidance on commercial boundaries being established prior to enforcement action, but there must be little if any latitude regarding enforcement action being taken (or not) or the outcome of any such action on the basis of commercial or "pragmatic" considerations. I suggest the whole statement can be lost with little harm - perhaps with just the piece about "sound judgement and act on the basis of evidence" being moved to the "Credible and Trusted" statement.

The "Focused on Delivery" statement "We plan ahead, and anticipate and prepare for risks" would be better in the "Forward Looking" statement than where it is proposed.

I think there is also room for the core values to include two further concepts:

- Firstly, that of "robustness" - or the idea that PhonepayPlus will deal with providers and customers who try to abuse regulations in a robust way. I think you are reasonably good at doing so for service providers, but I am not aware of customer who "try it on" being dealt with in the same way. This comes back to being fair to the industry as well as the consumer.

- Secondly, the concept of being "swift" should be considered - slow deliberation can create uncertainty for all parties. Again, I think PhonepayPlus has usually been better than many others in this area, but it does not hurt to restate your strengths.

Good luck with collating the responses.

Regards,

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