

Paul Whiteing
Deputy Director (Policy and External Affairs)
ICSTIS Ltd
1st Floor, Clove Building
4 Maguire Street
London SE1 2NQ
(via email - consult@icstis.org.uk.)



Pre-consultation paper responses

Response to specific questions

Understanding the characteristics of the market and services

Question 1 *We would welcome feedback about the distinctive characteristics of the market for 0871 numbers, including information about the market size, the main types of use for 0871 numbers and views on how this is changing, and is likely to change, as we move towards 2008 and beyond.*

TUFF is concerned that the existing fraudsters who operate numerous Wan Giri scams utilising 0871 will find it very easy to hide their activities amongst the inevitable flood of new to 0871 ex 0870 customer service type users. Therefore the new regulation must be able to recognise that some operate revenue share numbers as the main business whilst other will operate 0871 as a by product of their core business.

Question 2 *We recognise that a considerable amount of use of 0871 numbers relates to business call centres for customer service and information. Again, we would be interested to hear from those companies and other affected organisations about how the decision by Ofcom to extend regulation of PRS to 0871 may impact on their operations and how any ensuing burden should be minimised without losing sight of the need to ensure an appropriate level of consumer protection.*

TUFF is seeking more information from members as to the way their customers may react, there are 3 likely possibilities:-:

- To move to 0871 and continue with revenue share (accepting the need to comply with new regulations applying to 0871).
- Move to the 03 range when they see how it will actually work
- To stay on 0870 and lose advantage of revenue share

THE TELECOMMUNICATIONS UNITED KINGDOM FRAUD FORUM LIMITED

All Correspondence: PO Box 28353, London, SE20 7WJ

Registered Office: (Not For Correspondence) 142 High Street, Penge, London, SE20 7EU

Tel: 020 8778 9864 - Fax 087 12247603/020 8659 9561 - e-mail: tuff@tuff.co.uk

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How might the market change in the wider context of the other changes announced by Ofcom?

Question 3 *We would welcome feedback about the likely consequences of the possible migration to or from 0871 numbers flowing from the changes announced by Ofcom to 0870 revenue share and as a consequence of extending PRS regulation to all 0871 numbers.*

TUFF considers that the migration to 0871 numbers will depend to a large extent on the scope of the new regulations that will apply. Fraudsters who now operate numerous Wan Giri scams utilising 0871 will find it very easy to hide their activities amongst the inevitable flood of new to 0871 ex 0870 customer service type users. A large scale migration is also likely to prompt a demand for International access to 0871 which the fraudsters will relish.. **If allowed this would be the first time that any UK revenue share number range was opened to international calls and would be of great concern to TUFF members.** There have already been some AIT frauds when carriers have opened 0871 to International access unintentionally. How could 0871 be properly priced internationally when there is every price point between 10p and 6p. This will attract fraud and AIT to the 0871 ranges.

TUFF therefore asks that ICSTIS should consider barring revenue share on International calls if such access is to be allowed to 0871.

Consumer expectations from the regulation of services using 0871 numbers

Question 4 *We would welcome feedback about consumer concerns that arise, particularly with the promotion and content of 0871 services, and we would welcome feedback about safeguards that stakeholders believe would be necessary and proportionate for the development of an effective consumer protection regime for 0871 numbers.*

TUFF suggests that the onus should be placed on SPs to clearly outline the cost of calls via ALL marketing methods especially as prices can differ from operator to operator, perhaps SPs should be obliged to quote a maximum price OR a 'recommended price' @ 10p per minute and - it may cost more from mobile phones.

TUFF members are greatly concerned about single drop (pence per call) 0871 numbers and would ask ICSTIS to consider banning the use of pence per call 0871 numbers or hybrid ppc/ppm combined numbers. These are far too confusing for the public and are the most regularly used for AIT and fraud. Furthermore it will be impossible for single drop numbers to be allowed International access as no such charging mechanism exists within the International settlements. I would therefore assist TUFF members if ICSTIS were to bar the use of single drop numbers with calls from overseas.

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Determining regulatory requirements and a Code of Practice

Question 5 *We would welcome thoughts on what approach we should take to formulating a Code of Practice and how far this should be separate from the current ICSTIS Code and, if so, why. Are there additional issues relating to 0871 numbers, not covered in the current Code and distinctive to 0871, that would also be addressed?*

TUFF feels that the new regime must be proportionate and simple but still achieve its aims without increasing costs.

Mass non-compliance will surely be the greatest fear so the more straightforward the regulation the better.

TUFF recommends therefore:

- The existing PRS approach for chat – entertainment – prize – Quiz TV - Horoscope services should be maintained
- A separate code of practice for 0871 regulation to distinguish it from mainstream PRS.
- One section for SPs and one for Network Operators (NO).
- It should be kept as simple as possible with supporting info in the form of help notes.
- Make it compulsory and easy to register via an on line system.

TUFF feels that the existing ICSTIS COP should be used as a basis for the 0871 code. It would be preferable to have a simple set of ground rules where SPs are penalised if they transgress the rules.

TUFF suggests that ICSTIS work with the ILP to draft the new code.

Question 6 *We would welcome feedback on how we should regulate call centre waiting time issues, recognising that being in a queue for a long time leads to consumer expense as well as generally leading to a perception of poor service. We would particularly welcome the views of trade bodies whose members are active in call centre provision about how best practice could link to our regulatory requirements once agreed.*

A requirement for a 15 second call answer time, as per PRS, would not be feasible. However **TUFF is concerned at the growing number of services where answering commences prior before the caller is aware. Members ‘testing’ reveals this to be a growing problem on PRS and 087 services which is being ignored. Rogue providers are clearly cashing in on this unseen moneyspinner.**

TUFF suggest that low risk services; to the consumer, are differentiated from the high risk. E.g. high risk might be services such as PRS, chat lines and those that may be used by more vulnerable consumers. A low risk example might be an information line e.g. National Rail Enquiries for train timetables.

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Question 7 *We would welcome views on the potential incentives that we could create in order to develop improved performance and consumer service in this area without the need immediately to resort to regulatory sanctions.*

TUFF suggests that ICSTIS could publish a league table of complaints/investigations/Fines based on offending SP and Network.

Question 8 *In respect of pricing transparency, we would welcome views on how we move to a situation of compliance in time for early 2008 when we take control of the regulation of 0871 numbers. Many companies reported to Ofcom that they face long lead times to amend their promotional copy in respect of advertising for 0871 numbers. What action can we take and with whom to ensure that service providers and others in the value chain promoting these numbers fully understand the need for providing transparency in good time for any regulatory changes which may take place early in 2008?*

TUFF suggests that ICSTIS take responsibility for an advertising campaign to alert businesses and consumers to these changes. Ofcom may alternatively wish to take ownership of any such campaign?

TUFF is already talking to it's members about their options, however it is difficult to gain any firm insight re potential migration until the scope of the regulation is known.

Question 9 *Pricing transparency for 0871 numbers will be affected by the fact that many such numbers, especially when used for customer services, are listed in white pages telephone directories where space for the listing is restricted to a company name and number. There is no provision to provide information relating to the likely cost of the call. How should we consider dealing with issues relating to pricing transparency in this context or in other contexts such as advertising such numbers or radio or television?*

No comment



J A Wraith
CEO

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