

GENERAL GUIDANCE NOTE

The conduct of live services

EXECUTIVE SUMMARY

Quick summary on the conduct of live services:

- Live services are defined as those that allow for a two-way conversation to take place.
- All live services must give the name of the provider and pricing information on connection.
- Calls must be terminated where a caller is suspected of being under the age of 18.
- Calls must also be terminated where a caller is suspected of not being the bill-payer.
- All live services must terminate when a caller has spent £30.
- Live entertainment services and multi-party chat services are subject to separate and specific rules – all of which are covered in detail from **page 2** onwards (beginning at **point 6**).

1. Introduction

1.1. The purpose of this General Guidance Note ('the Guidance') is to assist Level 1 and Level 2 providers ('providers') by clarifying PhonepayPlus' expectations by way of the following:

- Clearly explaining the service requirements that must be implemented by all live services; and
- Offering guidance on miscellaneous live service-related matters that are not covered in the Code.

2. The role of General Guidance

2.1. General Guidance does **not** form part of the Code of Practice; neither is it binding on PhonepayPlus' Code Compliance Panel ('the Tribunal'). However, we intend it to help providers understand how compliance with the Code might be achieved.

3. Definition of a live service

3.1. Live services are defined as those that enable a consumer to speak with a real person, having called a premium rate service (i.e. a service that involves a two-way or multi-way live voice conversation). There are many different types of live service – technical support, counselling and professional advice services being a few examples – all of which fall under either some, or all, of the advice in this Guidance Note.

3.2. Live entertainment services are defined as being either 1-2-1 chat services (sexual or non-sexual) or psychic/tarot services – services that allow the caller to speak live with an operator for 'entertainment purposes'. Similarly, multi-party chat services are also classed as 'live services'; the difference being that they enable two persons (the participants), or more, to simultaneously conduct a telephone conversation with one another in a monitored chat-room.

3.3. **Please note: providers of either live entertainment services or multi-party chat services should note that, while the whole of this document is applicable to these two categories of service, they should pay careful attention to sections 6-11 of this Guidance Note (page 2 onwards), where specific guidance is located.**

3.4. Providers should also note that some categories of live service require prior permission from PhonepayPlus before being allowed to operate. Providers should refer to the PhonepayPlus website for further information on prior permission and for a list of these categories and service-specific information that relates to them. Providers should also consult the separate 'Avoidance of

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undue delay' and 'Promotions' Guidance Notes for advice on these areas and the way in which they might relate to live services.

4. Introductory messages – information that callers must hear on call connection (1)

- 4.1. **All** live services must include introductory messages (i.e. messages that are heard by callers on call connection), detailing the call cost per minute and the name of the provider that is providing the service.
- 4.2. This information tends to be given by way of either an automated recorded message given out prior to connection to an operator, or by way of a standard statement recited by a live operator – with either being acceptable.
- 4.3. **Please note:** providers operating services at 10p per minute or below should refer to the 'Lower-cost services' Guidance Note with regard to introductory messages.

5. Maximum call durations/call spend limits

- 5.1. All live services are subject to a maximum call spend limit of £30 (i.e. £30 per call*), at which point the call must be terminated either by an automated mechanism, or by an operator manually keeping track of the call length and personally terminating the call. Callers may then call a service back at this point, should they wish to continue using it.
- 5.2. For example, where a service is operating on a number that costs £1 per minute, the call **must** be terminated at 30 minutes; 20-minute termination at £1.50 per minute; and so on.
- 5.3. There are some less common exceptions that generally apply to services that require prior permission before being permitted to operate (counselling services or consumer credit services, for example). Providers should refer to the PhonepayPlus website for specific details of the live services requiring prior permission, along with any individual maximum call duration/call spend requirements.
- 5.4. ***Please note:** any additional network charges that may be added on to the per minute charge of the call outside of the control of the provider are **not** something considered as part of this rule and are **not**, therefore, something that providers are considered to be responsible for under the Code.

The following sections only apply to providers of live entertainment services and multi-party chat services – prior permission is required from PhonepayPlus to operate these types of services

6. Introductory messages – information that callers must hear on call connection (2)

- 6.1. Providers of live entertainment services (sexual and non-sexual 1-2-1 chat and psychic/tarot services) and multi-party chat services must also provide some extra information within their introductory messages, as well as the **price per minute** and the **name of the provider** providing the service information, applicable to all live services (**noted above, section 4**).
- 6.2. The extra information required has been broken down into service types, as follows:

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6.3. Live 1-2-1 chat services and multi-party chat services of a **sexual nature** must:

- State that all calls to the service are recorded;
- State that callers must be over the age of 18 to use the service;
- State that callers should either be the bill-payer or have the bill-payer's permission;
- State that call details may appear on the telephone bill.

6.4. Live 1-2-1 chat services and multi-party chat services of a **non-sexual nature**, and live psychic/tarot services must:

- State that all calls to the service are recorded.

6.5. **Please note:** the 'Avoidance of undue delay' Guidance Note offers detail on the appropriate length of service introductory messages.

7. **Underage callers and unauthorised use of the telephone**

7.1. Live premium rate services are only allowed to be used by callers who are over the age of 18. If an operator has reasonable grounds to suspect the caller of being under the age of 18, PhonepayPlus recommends that the following procedure be implemented:

- The operator should ask the caller their age and date of birth;
- The operator should ask the caller any other questions that they think are appropriate (their employment status, for example). Operators should also listen out for details said in conversation that might imply that the caller is underage and perhaps probe the caller further, where appropriate – a caller might mention their homework or revision, for example;
- If the caller hesitates in responding, their replies are inconsistent or the operator is still not satisfied, then the caller should be regarded as being under 18 and the call should be terminated.

7.2. Providers are also expected to take all **reasonable steps** to identify and terminate calls being made without the authority of the bill-payer. PhonepayPlus recommends that operators try to follow this procedure:

- Any caller who appears to be using the service excessively, either by making a large number of calls, or one or more very long call(s), should be warned by the operator of the potential costs of the call(s). This also includes any caller who appears to be calling from work, where the service is not considered to be work-related;
- Having received a warning, a caller who stays on the line should be asked whether they are responsible for paying the telephone bill or whether they have the bill-payer's permission to use the telephone. If there is any reason for the operator to doubt the truth of the response, then the call should be terminated by the operator immediately.

8. **Use of an 'eavesdrop' facility**

8.1. An 'eavesdrop' facility is that which allows the consumer the opportunity to listen in on the live call taking place between an operator and another consumer, while waiting to speak live with the same operator (i.e. listening in on the call(s) taking place in front of them, while they are effectively waiting in a queue).

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- 8.2. 'Eavesdrop' is typically used in conjunction with live 1-2-1 chat and psychic/tarot services that operate on TV, the internet via a live stream or via a 3G mobile handset (i.e. services that are operator-based and allow for the live visuals to be viewed in conjunction with live vocals between operator and consumer).
- 8.3. This is something that is permitted, provided that consumers are informed upfront (i.e. a consumer **must not** be advised that they are being put through to speak with a live operator, only to be put through to the 'eavesdrop' facility). Instead, it should be made abundantly clear to the consumer that the on-screen operator is already on a call. The consumer is then able to make the choice of either staying on the line, listening in until such time as the on-screen operator is free to take their call, choosing another menu option (where there is such a facility on the service) or choosing to hang up and try again later.
- 8.4. We are also aware of some 'eavesdrop' services that only allow the caller to listen in on the operator's side of the conversation, meaning that the caller's side of the conversation cannot be heard. This is not permitted – providers should note that callers selecting an 'eavesdrop' facility must be able to hear **both sides** of a conversation live as they take place between an operator and a caller, at all times.
- 8.5. Services using an 'eavesdrop' facility should also ensure that callers are aware that their live conversations may be 'eavesdropped' on by other callers.

9. Compensation arrangements (bonds)

- 9.1. All providers operating live entertainment services and multi-party chat services are required to join the PhonepayPlus Compensation Scheme – a scheme that allows for any consumer to claim for compensation where their telephone has been the subject of unauthorised use (**please also refer to section 10 below**).
- 9.2. Entry into the Compensation Scheme will mean a provider lodging a bond with a financial institution. This is usually a bank, but it does not necessarily have to be. Providers should contact the PhonepayPlus Compliance Advice Team if they are considering lodging a bond with a financial institution that is not a bank. PhonepayPlus will then make the necessary checks on that organisation, prior to making a decision as to whether it can be used, or not.
- 9.3. Typical bond levels are set at between £12,000 and £17,000 for 1-2-1 chat services, between £10,000 and £15,000 for psychic/tarot services and between £12,000 and £20,000 for multi-party chat services. Then, after one year of service operation, provided that PhonepayPlus is not aware of any problems with the services or any unpaid claims by providers (**see section 10 below**), bond levels may be dropped to the minimum level of £5,000 (£10,000 for multi-party chat) for 'good behaviour'.
- 9.4. It is the Code Compliance Panel ('the Tribunal') that will determine the individual bond level for providers, while considering their applications for live entertainment services and multi-party chat services. In order to do this, the Tribunal will consider various factors in relation to the service being applied for, as well as the provider applying to operate the service.

10. Claims for compensation

- 10.1. Claims for compensation can be made by any person whose connection to the electronic communications network (i.e. their telephone) has been the subject of unauthorised use. When

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claims are received by PhonepayPlus, in the first instance, the relevant provider(s) will be given an opportunity to settle them to the satisfaction of the claimant.

10.2. If the provider(s) does not settle them to the satisfaction of the claimant within a reasonable time, the matter will be referred to an independent adjudicator who will determine the matter in accordance with their procedures and who may require that the provider(s) pays the claim, or part of it, together with an administration charge.

10.3. If the independent adjudicator finds in favour of the claimant and the provider refuses to pay the claim, then steps will be taken by PhonepayPlus to claim back the monies owed directly from the providers' bond (which is the reason that bonds have to be in place for providers of live entertainment services and multi-party chat services).

10.4. Alternatively, the adjudicator may find that the provider is not required to pay the claim(s); in this instance, there would be no cost to the provider and the claimant would not be eligible for any reimbursement.

11. Call recording

11.1. All calls made to live entertainment services and multi-party chat services **must** be recorded in their entirety using recording equipment that has been pre-approved by PhonepayPlus.

11.2. Calls made to multi-party chat services may be individually recorded, or there must be a continuous recording of the conversations taking place in each separate chat-room within a service (where applicable/where an individual service has more than one chat-room). With regard to the latter scenario and to explain further, as each individual call into a service would not be being recorded, the provider must be able to supply to PhonepayPlus, where requested:

- A time and date stamped record of the date and time of a caller's entry into a service;
- The time and date stamped time(s) that a caller may have changed/jumped from 'room to room' within a service; and
- The time and date stamped time of each consumer's exit from a service.

11.3. The provider must also be able to supply any required segments of call recordings from any chat room within their service(s). For example, a full recording of 'Chat Room 1' from 9am-10.30am dated 1 January 20xx.

11.4. *Why must calls be recorded?*

Call recording is vital so as to allow for the investigation of complaints and the administration of the Compensation Scheme.

11.5. *For what period of time must recordings be kept?*

All recorded calls must be kept by providers for a period of 12 months. They must not be destroyed or deleted before then, but providers are free to delete recordings after a period of 12 months has lapsed.

11.6. *Recording Equipment*

All recorded calls must be time and date stamped and 'tamper-proof'. They must also be provided to PhonepayPlus in a format that can be easily played back, when copies of recordings are requested. Finally, recording equipment must be able to monitor the Calling Line Identity ('CLI') of each caller.

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- 11.7. Providers can choose to use pre-approved recording equipment suppliers to install recording equipment in conjunction with their services – a full list of approved suppliers together with their contact details can be seen below at **Annex A** (please note that there are also some approved suppliers that have chosen not to be added to the list).
- 11.8. Alternatively, providers may be considering using recording equipment that **has not yet** been pre-approved by PhonepayPlus – typically through either a not-yet-approved supplier or perhaps via equipment that the provider has personally developed. PhonepayPlus employs an independent technical consultant for the verification of any such equipment. This consultant can be booked to carry out an inspection (either via an online check or in person, depending on the type of equipment). If approved, your equipment can be added to our approved list of suppliers, if you wish.
- 11.9. *Live chat and video services*
Some services combine live chat with live video. An example would be a 3G mobile phone service that allows consumers to call a service and take part in a live 1-2-1 conversation with an operator, while simultaneously being able to view the operator on the screen of the phone.
- 11.10. Providers operating any such service should note that PhonepayPlus **only** requires the audio part of the service/call to be recorded. There is no requirement to also record the visual part of any service. While the list of approved suppliers at **Annex A** does show that some approved suppliers have the ability to record the vocal and visual parts of a service, we have supplied this for information only because it was considered that some providers may wish to record the visual parts of services for their own reasons. These suppliers have only had the audio part of their equipment approved by PhonepayPlus, as there was no requirement for the visual aspect to be checked/approved.
- 11.11. If you have any questions in relation to recording equipment that are not covered in this Guidance (i.e. questions of a technical nature), you should contact the PhonepayPlus Compliance Advice Team for advice.

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ANNEX A

Approved Recording Equipment Suppliers

Audio and visual recording equipment

C3

Contact: Sue Hunt

SeTeCa, interactive voice and video platform that supports TDM, 3G and SIP, (in voice and video formats), from one core infrastructure

Tel: 01223 427 700

Fax: 01223 427 711

E-mail: info@c3ltd.co.uk

iPoint Media Plc

Contact: Sales Team

Vitrage Interactive 3G and IP video calling solution

Tel: +44 1635 817313

Fax: +44 1635 817314

E-mail: sales@ipoint-media.com

Website: www.ipoint-media.com

MX Telecom Ltd

Contact: Sales Team

Interactive voice and video platform with ISDN, 3G and IP connectivity

Tel: 0845 666 7778

Fax: 0780 163 4694

E-mail: sales@mxtelecom.com

Website: www.mxtelecom.com

Requestec Ltd

Contact: Ben Weekes

3G and IP interactive video calling platform

Tel: 08707 565 797

Fax: 020 3008 7759

E-mail: ben.weekes@requestec.com

Website: <http://www.requestec.com/>

Audio recording equipment

24 Seven Communications Ltd

Contact: David Samuel

UK Telco providing Network Based Intelligent Inbound Services and Call Recording Solutions

Tel: 08000 247 247

Fax: 08000 247 248

Email: info@24seven.co.uk

Web: www.24seven.co.uk

Absolute Live UK Ltd

Contact: David Hill

IP/SIP multi channel voice and data recorder and IVR hosting Equipment.

Tel: 02920 021621 Mob: 07792558959

Email: david.hill@absolutelive.com

Website: <http://www.absolutelive.com/>

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ASC telecom Ltd

Contact: Jane Edwards
DL2, Marathon Digital recorders and Veritel Pro
Tel: 08707 544 514
Fax: 08707 544 516
E-mail: info@asctelecom.co.uk
Website: <http://www.asctelecom.co.uk/>

C3

Contact: Sue Hunt
SeTeCa, interactive voice and video platform that supports TDM, 3G and SIP, (in voice and video formats), from one core infrastructure
Tel: 01223 427 700
Fax: 01223 427 711
E-mail: info@c3ltd.co.uk

Computertel Ltd

Contact: Philip Haynes
ORION range of digital recorders
Tel: 01474 561 111
Fax: 01474 561 122
E-mail: info@computertel.co.uk
Website: <http://www.computertel.co.uk/>

Dictaphone Ltd

Contact: John Taggart
Dictaphone Guardian and Freedom equipment
Tel: 01355 571 623
Fax: 0207 878 5111
E-mail: john.taggart@lhsl.com
Website: www.dictaphone.com

EveryWare UK Ltd

Contact: Mark Franklin
Multi Channel voice recorder
Independent IVR and SMS specialist providing intelligent call handling solutions for in bound and out-bound services including call recording solutions.
Tel: 0844 556 7711
Fax: 0844 556 86 86
E-mail: mark.franklin@everyware.net
Website: www.everywareuk.com

I-Net Communications PLC

Next Generation Network Operator
A fully converged network operator providing PSTN & IP based telephony services
Contact: Sales Team
Tel: 0844 993 1010
Fax: 0844 993 1011
E-mail: sales@inetplc.com
Website: <http://www.inetplc.com>

Invomo Ltd

Contact: Catherine Gerosa
HP OCMP multi channel voice and data recorder and IVR hosting Equipment.
Tel: 0844 8888 500
Email: cgerosa@invomo.com
Website: www.invomo.com

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Magnetic North Software Ltd

Contact: Solutions Team
Optimise web based voice & data recording, onsite or network based
Tel: 0116 229 2727
Fax: 0116 229 2777
E-mail: contact@magneticnorth.com
Website: <http://www.magneticnorth.com/>

Mercom

Contact: Claire Harrington
Audiolog Range of Digital Voice Recorders
Tel: 08700 503870
Fax: 08700 503872
E-mail: charrington@voiceproducts.co.uk
Website: <http://www.voiceproducts.co.uk/>

Redwood Technologies

Contact: Joanne Williams
RedResponse Recorder for DNX/INX Intelligent Switch.
(Sold only as part of a complete solution, not to be bought separately).
Tel: 01344 304 344
Fax: 01344 304 345
E-mail: sales@redwoodtech.com
Website: <http://www.redwoodtech.com/>

Storacall

Contact: Ian Parberry
VoiStore range of digital recorders with web-based interface
Tel: 01932 710 710
Fax: 01932 710 711
E-mail: sales@storacall.co.uk
Website: www.storacall.co.uk/voistore

TelXI Ltd

Contact: Nigel Fox
UK carrier providing Network Based Intelligent Inbound Services and Call Recording
Tel: 08700 670 672
Fax: 08700 670 673
E-mail: nigel.fox@telxl.com

THUS PLC

Contact: Network Call Recording Team
Thus Network Based Voice & Screen Recording
Tel: 0808 202 5550
Fax: 0870 164 0353
E-mail: ian.smith@thus.net
Website: <http://callrecording.thus.net/optimiseregistration>