

## SERVICE-SPECIFIC GUIDANCE NOTE

### Employment, employment information and business opportunity services

#### EXECUTIVE SUMMARY

#### Quick summary on the use of employment, employment information and business opportunity services:

- Premium rate charges should not be applied to services which find, or seek to find, persons employment.
- Other employment services are subject to PhonepayPlus' Code of Practice.
- All reasonable steps should be taken to avoid misleading, or taking advantage of, vulnerable consumers.

#### 1. Introduction

- 1.1. The purpose of this Service-Specific Guidance Note ('the Guidance') is to assist registered parties/providers ('providers') by clarifying PhonepayPlus' expectations around the use of employment, employment information and business opportunity services ('employment services').
- 1.2. Section 6(1) of the Employment Agencies Act 1973 prevents the receipt of a fee, whether directly or indirectly, from any person, for finding him employment or for seeking to find him employment.
- 1.3. Providers charging premium rates in relation to these employment services would fall under this rule, be found to be charging a fee and, therefore, would be likely be in breach of paragraph 2.1 of the Code of Practice.

#### 2. The role of Service-Specific Guidance

- 2.1. Service Specific 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.
- 2.2. Providers are not obliged to follow this guidance but, in the event of an investigation, a Tribunal will adjudge whether the alternative actions that providers took delivered compliance with the Code. We recommend that those looking to radically depart from this Guidance contact our Compliance Advice Team in reasonable time ahead of launching the service.

#### 3. Types of employment services

- 3.1. These services fall into four categories, all of which carry different expectations:
  - *Services offered by employment agencies and employment businesses*  
Subject to the exception in the last bullet point, no charge can be applied to a service which finds, or seeks to find, employment for persons. If providers are found to be applying premium rates to such services, they are likely to be found in breach of paragraph 2.1 of the Code of Practice.

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- *Services which give general advice about careers and employment, including self-employment*  
These services can apply premium rate charges, but will be subject to PhonepayPlus' Code of Practice. Those providing advice should also see Service-Specific Guidance on 'Advice services'.
- *Services which give information about the service provider's own vacancies*  
These services can apply premium rate charges, but will be subject to PhonepayPlus' Code of Practice.
- *Services which seek to find work for performers and certain other workers in the entertainment field (e.g. photographic and fashion models)*  
These services are an exception to the regulations and can charge for their services, subject to certain limitations. Any premium rate charges applied would be subject to PhonepayPlus' Code of Practice. Providers are advised to refer to the Employment Agencies Act 1973 for further information.

#### 4. How to avoid the service being deemed misleading

4.1. If the following conditions are met, employment services would be unlikely to be found to be misleading under paragraph 2.3.2, or to be taking advantage of vulnerable consumers under paragraph 2.3.10.

4.2. Providers should take all reasonable steps to:

- Ensure promotions correspond to genuine vacancies and/or opportunities, the existence of which should be fully substantiated on request;
- Not mislead a caller as to the conditions, necessary qualifications, availability or extent of any potential employment or business opportunity;
- Not make claims relating to earnings, unless the evidence that such earnings are currently and regularly attained by existing employees (or equivalent) is readily available;
- Clearly state any additional expenditure, including any investments, that may be required over and above the cost of the telephone call;
- State the type of work to be done and its geographical location;
- State the number of workers required;
- State the basis and level of remuneration and, where known, the level of earnings that may realistically be expected.