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Dear Mark

**Cash Finance Direct Limited trading as Horizon Finance**

We are taking the opportunity of responding to the invitation afforded for level 2 providers to contribute their comments towards the new code. Through our AIME and PRA membership, many questions have been answered by their submissions, although there are two additional comments we would wish to make that we feel are relevant, that have not been covered in detail by AIME and the PRA.

*Rules relating to pricing*

*2.2.5 In the course of any promotion of a premium rate service, written or spoken or in any medium, the cost must be included before any purchase is made and must be prominent, clearly legible, visible and proximate to the premium rate telephone number, shortcode or other means of access to the service.*

**Prominent, clearly legible, visible and proximate to the PRS number.**

Setting measurable and specific guidelines would remove any ambiguity or misinterpretation of the above requirements. This would allow providers the ability to promote with the confidence that all requirements of the code have been fulfilled.

It would also greatly assist with performing due diligence between the Networks, Level 1 and Level 2 providers as if all specifics were measurable, i.e. font size, proximity of the call costs to the PRS number etc, it would provide the ability to make judgements based on factual information, and not based on opinions, which by their very nature will differ.

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For example, two recent promotional pages from a National newspaper (attached in the paper format of this letter) contain the required information; however, the pricing is some forty one centimetres away from the PRS number. We would ask whose opinion is relied on to ensure the promotion adheres to the general spirit of the code.

If this pricing proximity was applied to a web page, tablet PC, or mobile phone screen, it would question if the same distance was permissible through the use of scrolling etc. By providing a universal set of guidelines, it would allow all mediums to utilise a standard format that consumers could expect to see through any promotion they may be exposed to.

As the newly formed customer resolution team has demonstrated, by providing the industry with the tools to deal with certain issues for themselves, it allows budgets to be redirected for other use, such as monitoring etc. Perhaps some of the focus groups and research conducted by Phonepay Plus may assist in deciding what the majority of consumers find acceptable, and use these findings to benchmark as good practice amongst providers.

### 3.6 Data Protection

#### 3.6.1 All Network operators, Level 1 and Level 2 providers:

(a) must make a notification to the Office of the Information Commissioner under the Data Protection Act 1998 and must, in their notification:

- (i) disclose PhonepayPlus as the potential recipient of personal data, and
- (ii) state that data collected from consumers may be used by PhonepayPlus for regulatory purposes.

Due to the complexity of many promotions and myriad of journeys taken by users of PRS services, it is understandable that Phonepay Plus may request particulars of data collected by Networks, Level 1 and Level 2 providers to assist with any level of complaint or investigation. It would therefore be appropriate that the same level of transparency applies to Phonepay Plus in dealing with queries, complaints or even investigations, and the details of those who have given rise to the involvement of Phonepay Plus, are provided to the Network, or level 1 and 2 providers in return.

This would ensure that a fair and proportionate outcome is delivered as it will be based on factual and fully traceable client details, the majority of which will exist on a database along the chain of promotion, so allowing any allegations to be substantiated or prove unfounded almost instantly, and either give rise to further action by Phonepay Plus, or negate the need for any further involvement by the regulator. As Phonepay Plus are to utilise the Internet as part of their additional tools to regulate the industry, then it would only be fair that they do not choose to act solely on comments or statements made, whilst those posting the comments are able to hide behind the anonymity afforded by the Internet.

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This would also bring Phonepay Plus into line with other organisations, such as the ASA, Financial Ombudsman, Trading standards, Information Commissioners Office, TPS and MPS registers to name a mere handful, who afford a full right to reply and allow the ability to respond with supporting evidence, by providing specific client details in most instances alongside any correspondence entered into at the outset.

I hope these minor contributions will be of use to you, we look forward to the launch of the new code and working with Phonepay Plus in the future to ensure that we operate in a fully compliant manner to the benefit of the industry and consumers alike.

Yours sincerely

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