



**Prior Permissions Notice
For the attention of all service providers
operating Premium Rate Services used in
Television Broadcasting**

Issued by PhonepayPlus on 19 February 2008

Notice

In accordance with paragraph 5.1.1 of the PhonepayPlus Code of Practice 11th Edition (“the Code”) PhonepayPlus now gives Notice that from the **18th day of March 2008** no Broadcast Premium Rate Service (“BPRS”) as defined below may be provided unless the relevant service provider (as defined in the Code) has the written permission of PhonepayPlus to provide BPRS.

BPRS Definition

“Premium rate services which are promoted on television (other than by commercial advertising), however transmitted, and which provide a facility for interaction or the provision of information whether in the form of votes entries bids or otherwise howsoever.”

Background

On the 15th May 2007 PhonepayPlus published a consultation document “Introducing Prior Permission for Premium Rates Services used in Television And Radio Programmes”. That consultation paper was a response to problems of which PhonepayPlus and Ofcom had become aware from the middle of February 2007 in respect of premium rate services used for voting and competition entries on mainstream television channels. PhonepayPlus is publishing the results of that consultation simultaneously with the publication of this Notice. The conclusion reached by PhonepayPlus having duly considered the results of the consultation carried out is that it is necessary to bring into effect a prior permission requirement for BPRS. In order to enhance consumer protection a number of conditions will be applied to permissions which are granted.

Conditions

It should be noted that a breach of any condition imposed in connection with a permission granted by PhonepayPlus in accordance with the Code will be a breach of the Code (paragraph 5.1.3 of the Code).

The consultation carried out by PhonepayPlus set out a number of conditions which appeared to it to be necessary for inclusion in the grant of prior permission. The majority of conditions contained within the consultation will be applied to permissions. Some will not particularly in the light of the changes being made by Ofcom to broadcasters licences in connection with BPRS.

The conditions which will apply to all services are set out in the annex to this Notice. Additional conditions may apply if that is necessary in respect of particular services which may be provided.

The conditions fall into 3 categories:-

- (i) **Connectivity and capacity**
These deal with the handling of peak traffic where the service provider uses arrangements with additional parties for the provision of capacity. It also addresses the completion of calls made prior to the time of line closure.
- (ii) **Conduct**

It must not be possible for calls to be made prior to lines being announced as open or to be made after lines have been announced as closed. These conditions also deal with the selection of winning entrants and customer service arrangements.

(iii) Coherence

It is required that contractual arrangements between service providers and others in the value chain must clearly identify who is responsible for each activity involved in the provision of the service. Arrangements once made can only be changed with the involvement of senior people within the relevant organisations. There must be proper training as to PhonepayPlus requirements and there must be procedures to deal with problems which are predictable in the provision of BPRS.

Next Steps

Service providers which already provide BPRS should submit their applications to PhonepayPlus by **18 March 2008**. Application forms can be found on the PhonepayPlus website at the following address:

http://www.phonepayplus.org.uk/service_providers/setting_up_services/application_forms/st_art_sp.asp

Service providers should enter their registration number, then select “Apply for Prior Permission” on the following screen. Applications should be submitted as soon as possible in order to ensure that service providers are able to continue to provide BPRS.

Exemptions

Certain limited categories of service which fall within the definition of BPRS but which do not appear to PhonepayPlus to require prior permission in accordance with this Notice may be identified and published by PhonepayPlus from time to time. Categories of service exempt from the requirement to obtain prior permission in accordance with this Notice (for reasons set out in the PhonepayPlus publication concerning the results of its consultation) are:-

- Quiz TV
- Live Chat
- Pay per Play

BROADCAST PREMIUM RATE SERVICES

ANNEX TO NOTICE TO THE INDUSTRY

Conditions which will apply in all prior permission certificates provided to providers of Broadcast PRS will include:-

Connectivity and capacity

- i. Service providers must ensure that all valid responses sent by viewers are available in sufficient time to be fully considered and reflected in any outcome of an event.
- ii. Where a service provider has made arrangements for the handling of excess peak traffic by third parties, these arrangements must ensure that all valid responses so handled are treated equally with those received by the service provider.
- iii. Red button interactive calls made prior to the time announced for line closure must repeat the relevant competition entry/vote count process.

Conduct

- iv. Calls and SMS entries must not be charged or counted as a relevant entry before lines have been announced as opened or be charged or counted as a relevant entry after an announcement that lines are closed has been made. Immediately after an announcement that the lines have been closed has been made the lines must be closed provided that calls made but uncompleted at the time of the closure announcement must be allowed to be competed.
- v. Phone lines must not remain open when programmes are repeated.
- vi. Winning entrants for competitions must be randomly selected from all correct entries unless there is a tie breaker or totally skill based outcome.
- vii. Customer service arrangements for handling participant enquiries must be in place.

Coherence

- viii. Contractual arrangements between service providers and any parties with which they contract in respect of the provision of the relevant Broadcast PRS must clearly and coherently identify which party is responsible for the performance or management of each activity associated with the service.
- ix. There must be no amendments to operational systems or procedures relating to the service without senior management authorisation. The service provider's procedures must identify senior management positions within its organisation with the power to authorise such changes.
- x. All staff, whether internal or employed by contractual partners, must have the PhonepayPlus Code of Practice drawn to their attention and have suitable training.
- xi. Procedures must exist for the backup of all operational systems and to deal with predictable problems inherent in providing Broadcast PRS.
- xii. Subject to reasonable notice from PhonepayPlus, service providers must make provision for PhonepayPlus staff and/or its agents to visit their premises from which they provide any relevant service and have

access to any documents or records relevant to the provision of the service.

General Conditions

On the grant of any prior permission by PhonepayPlus additional conditions deemed necessary in the light of the particular service provisions applicable or imposed. All PhonepayPlus permissions are subject to amendment or withdrawal.