



RESPONSE FROM THE PRA TO THE PHONEPAYPLUS CONSULTATION ON A THREE-YEAR STRATEGIC PLAN -2011/2014

Introduction

The PRA welcomes the opportunity to respond to the PhonepayPlus (PPP) consultation on their Three Year strategic plan – 2011/2014.

Question 1 Do you support

By whom and why has it been decided that your mission statement is no longer necessary? Equally we are concerned that you feel you can remove the need for independence as part of your values.

We have recently had to study your own complaints procedure and see that, in fact, the individual who looks at these is not independent of your own organisation due to the fact you have appointed them, therefore it could be argued that you are not truly independent, however the essence of such a notion is not one in our opinion to just be cast aside. Perhaps appointments for roles of this importance should be elected via consultation with trade bodies.

To test your independence via the Communications Act would be a complicated and lengthy process, surely your independence should be a given.

How has PPP demonstrated that it has the confidence of key stakeholders and can it evidence this?

You mention new tools to monitor and stop complaints - is it your job to find complaints? We are aware of some of the activities on websites where it has been observed that PPP details are being placed onto websites which consumers use to complain and then breaches occur through usage by consumers on your number checker. Surely it is the networks job to promote your existence to their customers?

We do agree with you having to be efficient but this should have always been a given, any organisation should be efficient although this could be argued in light of the fact of heavy administrative fees that some of members have incurred in recent times which accrued by employees being inefficient in their ability to prove certain pieces of key information such as whether a SP was also an IP.

Would a useful industry tool be a customer satisfaction survey via a simple form provided on Ofcom's website, open for all in the industry to comment of their experience of your effectiveness? Ofcom could then publish the results.

We welcome the fact that you wish the best outcomes for all through true partnership. However you do not set out what your proposed simple description will be therefore it is very difficult to assess what you are trying to achieve.

Question 2 Effective, Accessible.....

We agree that you should be these key things but also believe that you should be independent in the way you operate as a regulator both internally and externally.

Again we welcome your recognition of the need for transparency but, as the better regulation task force and others have clearly underlined, all organisations in the public arena must be able to demonstrate their ability to prove transparency, in particular since legislation such as the information disclosure was in force. Whilst we recognise that you assert yourself to be outside of this we note that Ofcom is not and that you see the need to be working within the spirit of cooperation.

Question 3 Do you agree.....

As previously stated we have recently had to note your own complaints procedure and see that in fact the individual who looks at these is not independent of your own organisation merely by the fact you have appointed them therefore it could be argued that you are not truly independent, however the essence of such a notion is not one in our opinion to just be cast aside.

We welcome the idea that your registration scheme will provide more information but fail to see how in reality it will be mandatory in practice?

We agree in principle with your vision of the future where all billing and technologies will have to converge including PRS and credit card, our note of caution would be that a rise in usage of micro payments and PRS in general will only flourish with a regulator who underpins and an industry that self- and co-regulates. This should happen alongside the encouragement of entrepreneurs and the true ability to stop those who seek to cause harm operating in the industry.

You mention the decrease in complaints; many things have played a part in this, one of them being the reduction of calls and revenues within the industry currently.

Question 4 Do you agree.....

We agree with having a flexible, fair and proportionate regulator for premium rate services and welcome PPP's continued efforts to achieve this aim. How will the effectiveness of this desired outcome be demonstrated.

Question 5 Do you agree

In essence we agree that any robust and transparent dialogue and support provided by PPP to help the industry be code compliant is welcome, what is not is the creation of roles or extra external expenditure for the creation of complaints.

Question 6 Do you agree.....

We absolutely agree that firm evidence should be the basis of any decisions that PPP takes in relation to decisions regarding the future and those who operate within the industry. Again however we do not condone expenditure on systems or people unless there is a demonstrable reason or an advantage to the industry or the consumer.

Question 7 Do you agree.....

Education is invariably a good thing but is the intent of the education, its cost and value for money (measured outcomes) which must be considered and demonstrated.

Question 8 Do you agree.....

We agree that keeping your costs under review is a welcome objective as is your continued role as an effective regulator

Conclusion

We welcome this opportunity to respond to this consultation and welcome the essence of PPP's continued efforts to evaluate your own effectiveness and operational abilities.