

Mr James Harris
Head of Industry Support
ICSTIS
Clove Building
4 Maquire Street

15 June 2007

Dear Mr Harris

ICSTIS consultation regarding Introducing Prior Permission for Premium Rate Services Used in Television and Radio Services

We are pleased to have the opportunity to respond to this consultation. Our reply is not given in confidence and we expect it to be published by ICSTIS.

As this proposal concerns proposed changes to the regulation of the BBC, we consider it appropriate that the response to this consultation should come from me, as Chairman of the BBC Trust, the relevant regulator in this instance and sovereign body of the BBC. We have consulted with members of BBC management in relation to the matters under review and this response reflects the views of both the BBC management and the BBC Trust.

The BBC Trust fully understands the need to restore public confidence in the use by broadcasters of premium rate services (PRS) in programmes. We hope that the enclosed reply, which contains our considered opinions on the questions asked by ICSTIS, assists ICSTIS in deciding whether, and if so how, it will implement a prior permission regime.

There are two key points of difference, as regards the use of premium rate services in television and radio programmes, between the BBC and broadcasters licensed by Ofcom which I wish to draw to your attention.

Firstly the BBC does not utilise premium rate services within its programmes in order to create a profit for the BBC. The BBC seeks to ensure that in the event that it makes any incidental surplus it makes donates this to charity. The only exceptions are premium rate services which are specifically run in order to raise money for charity e.g. Children in Need, Comic and Sport Relief.

Secondly, and linked to the above, BBC compliance with the ICSTIS Code is covered by the BBC Editorial Guidelines. Section Ten of the Ofcom Broadcasting Code, which imposes the requirement on broadcasters to comply with the ICSTIS Code, states specifically that that Section of the Code does not apply to BBC services funded by the licence fee or World Service grant-in-aid and that those services are regulated by the BBC Governors (now the Trust). At present then a breach of the ICSTIS Code is a matter which is subject to regulation by the Trust.

The BBC Editorial Guidelines (2005) Section 15 Interacting with our Audiences can be found at:

<http://www.bbc.co.uk/guidelines/editorialguidelines/edguide/interacting/>

This covers the use of telephone services in some detail. In particular it says:

We must comply with the code of practice issued by the industry regulator, the Independent Committee for the Supervision of Standards of Telephone Information Services (ICSTIS), which is available at www.icstis.org.uk.

It is important that the public's trust in the use of PRS by broadcasters is restored by the concerted action of all regulators who work in this area. Our response addresses not only the broader issues raised by the consultation but, in particular, the issue as to how ICSTIS, the Trust and the BBC can work together to ensure confidence in the use of premium rate services on BBC programmes.

If there is any further information I can give you, please contact me. In particular if ICSTIS are minded to proceed with the suggestion that broadcasters become subject to ICSTIS through a prior permission regime then the BBC Trust would like to meet ICSTIS to discuss the matter further.

Yours sincerely

Sir Michael Lyons
Chairman
BBC Trust