

## **NOTIFICATION OF FURTHER SIX-MONTH PILOT TO ALLOW CHARITABLE DONATIONS USING A MONTHLY SUBSCRIPTION MECHANIC TO BE PROVIDED WITHOUT THE NEED TO COMPLY WITH RULE 2.3.12(d)(v) OF THE PHONEPAYPLUS CODE OF PRACTICE**

**This Notification should be read by all registered charities which provide, or wish to provide, methods by which consumers can donate using premium rate, and by PhonepayPlus registered providers who work with charities to facilitate premium rate donation.**

### Background

Paragraph 3.10.4(a) of the PhonepayPlus Code of Practice (12<sup>th</sup> edition) (“the Code”) allows registered providers to apply for written prior permission from PhonepayPlus (which may be given subject to conditions) for their service to be provided by means other than strict adherence to the Code provisions. Such permission may be withdrawn or varied by PhonepayPlus, subject to the giving of reasonable notice.

PhonepayPlus has previously granted permission for dis-application of the requirement at paragraph 2.3.12(d)(v) of the Code to remind consumers of the existence of the STOP command on a monthly basis (or after each £20 spent, whichever is the sooner), set out in respect of a service which only facilitated charitable text donation on a regular monthly basis. The requirement to provide a STOP command reminder was extended to every three months, subject to those granted permission adhering to specific conditions.

In March 2012 this pilot was extended for a further six months, and for the following category of persons:

- a) Charities who are registered both with the Charities Commission of England, Northern Ireland, Scotland or Wales, and with PhonepayPlus;
- b) Providers who are registered with PhonepayPlus and facilitate the provision of premium rate donation on behalf of the charities at a).

Permission to dis-apply paragraph 2.3.12(d)(v) of the Code, was granted for six months subject to the charities or providers adhering to specified conditions as set out further below.

In accordance with paragraph 3.10.5 of the Code a record of the charities or providers granted permission as part of the six month pilot extension will be made available on the PhonepayPlus website.

For further information as to how charities can register with PhonepayPlus please refer to the guide ['How do charities register on the PhonepayPlus Registration Scheme'](#) as found on the PhonepayPlus website.

### Notification of extension of pilot

Following consideration of the most recent findings from the pilot, the PhonepayPlus Board on 10 November 2012 decided to grant a further extension to the pilot until 30 June 2013. All policy considerations will remain with the PhonepayPlus Board during this period.

All registered charities and contracted Level 1 providers should note that participation in the pilot is not automatic. Charities and other associated parties will need to apply to PhonepayPlus in order to participate, and each application will be reviewed by PhonepayPlus on a case-by-case basis.

Applicants should note that permission granted under the extended pilot remains subject to all previous conditions, which are set out below for ease of reference, and to additional conditions which are italicised:

**Conditions applicable to all Named Providers:**

- (i) All provisions of the Code (as far as they are applicable) apply to the service.
- (ii) PhonepayPlus may impose further conditions and/or revoke an individual permission as it may deem necessary after giving reasonable notice.
- (iii) Permission granted under this six month pilot may be immediately revoked by PhonepayPlus at any time if any of the listed conditions are breached.
- (iv) PhonepayPlus may revoke an individual permission after giving reasonable notice.
- (v) Permission granted under this six month pilot will be subject to review by PhonepayPlus thereafter.
- (vi) The provisional date upon which the pilot will provisionally end will be 30 June 2013. PhonepayPlus may in its discretion extend the pilot and will give reasonable notice where it decides to do so.

**Conditions applicable to Level 1 provider**

- (vii) All platforms and connections to a Network operator, or another Level 1 provider, that provide access to the service, and any other relevant services provided, are of adequate technical quality.
- (viii) The pilot enables the service to operate price points up to £10 in any given seven day period without triggering the use of the *double opt-in mechanism* as would normally be required for this category of service "*Subscriptions over £4.50 in any seven-day period*".
- (ix) The use of the SKIP remains the instruction command (throughout the duration of this pilot) which consumers must activate to suspend payment of their monthly donation.
- (x) The monthly reminder containing the SKIP instruction must be sent 24 hours prior to when the consumer is due to be charged.

To demonstrate the use of SKIP the following key metric data must be provided for:–

- The number of people using SKIP in each month;
- The total number of uses of the SKIP function and as received in the first 24 hours from when the monthly reminder message is sent; and

- The number of people using SKIP in consecutive months.

- (xi) The STOP command must be made available and fully functional throughout the duration of the service with consumers being reminded of the existence of the STOP command every three months.

To demonstrate the use of STOP the following key metric data must be provided, *on a monthly basis*, for:-

- The number of people using STOP in each month (to contrast months where the consumer is notified of the STOP command to other months where they are not);
  - The number of uses of the STOP command as received within 24 hours from when the reminder message is sent;
  - *The number of uses of the STOP command on a day-by-day basis through each month – i.e. the number of uses of STOP on each day of each month, broken down for each individual registered charity*
  - Confirmation as to the total number of donors who have exited the service (and to be broken down for each individual registered charity); and
  - Whenever the STOP command is activated, PhonepayPlus wishes to see confirmation as to the route of entry by which consumers were subscribed (i.e. call centre call, TV, print, street recruitment etc).
- (xii) Where the SKIP is activated for three consecutive months, this must automatically trigger the sending of a STOP command to the recipient.

To demonstrate its use, the following key metric data must be provided for:-

- The number of STOP commands automatically generated through the consecutive sending of three monthly SKIP instructions;
  - *The number of instances where consumers text two consecutive monthly SKIP instructions followed by a STOP command in the third consecutive month*
  - The total number of people exiting the service in this way; and
  - Whenever the STOP command is activated PhonepayPlus wishes to see confirmation as to the “route” of entry by which consumers were subscribed (i.e. call centre call, TV, print, street fundraising etc).
- (xiii) *Service may only operate on a 7-series (i.e. 7xxxx) shortcode which has been designated by Mobile Network operators as for the specific purpose of facilitating VAT exempt charitable donations.* PhonepayPlus should be notified of all applicable shortcodes at the time the service commences.
- (xiv) All participating charities must be registered with the Charities Commission of England, Northern Ireland, Scotland or Wales and PhonepayPlus.
- (xv) PhonepayPlus must be notified and updated by the Level 1 provider of all participating charities partaking throughout and as part of this six month trial period.

## Conditions applicable to Level 2 provider

- (xvi) Promotional material must not use the words “FREE” or “NO CHARGE” or contain wording that implies the same, except to state that the promotional message itself is free.
- (xvii) All free service messages as sent should start with the wording “*FreeMsg*” or equivalent at the outset of the message.
- (xviii) No free service may directly link to another product or service which carries a premium rate charge, unless the consumer is made aware of that charge and has consented to it.
- (xix) All promotional material must be submitted for copy advice to PhonepayPlus prior to the launch of the service.
- (xx) Services which specifically target children in their promotional material must not allow donation above £3 per month.
- (xxi) Before utilising any form of promotion of a service via street fundraisers, the relevant charity or charities must be signed up to the Fundraising Standards Board’s “Fundraising Code of Practice”.