

PREMIUM RATE SERVICES: 1 APRIL TO 30 SEPTEMBER 2006

A Half-Year Statement By ICSTIS

The six months to 30 September 2006 have seen positive trends and a great deal of change within a premium rate sector that is worth in the region of £1.6 billion annually.

We are starting work on the re-branding of ICSTIS – selecting a new name to raise our profile as well as reflect the new ways in which we will operate in the future. We have also just completed the pre-consultation phase for one of our new areas of responsibility – the regulation of 0871 services.

In addition, Ofcom is due to announce the terms of reference for its review of the regulation of premium rate services, with further stages of the process planned throughout 2007.

Over the last six months, we have:

- ❖ met all Key Performance Indicators relating to our consumer protection work
- ❖ provided a high level of service through our Contact Centre, with 90% of enquiries answered within 30 seconds
- ❖ handled almost half a million enquiries in total through our Contact Centre and online service
- ❖ reduced complaint levels to less than 8,000
- ❖ dealt robustly with an isolated revival of rogue Internet dialler activity
- ❖ submitted our proposed new Code of Practice for approval – the new Code, our eleventh, will allow us to deal more effectively with all those involved in the provision of premium rate services, including networks, bureaux and aggregators, as well as content providers
- ❖ significantly improved fine recovery levels to 75% – this money is used to support our customer services and reduce costs to the industry as a whole
- ❖ reduced our funding levy on the industry through improved cost control and higher than anticipated growth.

In the next six months, we aim to:

- ❖ launch a website to help children learn about premium rate services, be able to recognise them and the different ways of accessing them, and appreciate the potential issues involved
- ❖ complete the re-branding exercise and publicise ICSTIS' new name
- ❖ publish the eleventh edition of our Code of Practice
- ❖ complete a review of the quiz TV sector and implement any necessary new consumer protection measures
- ❖ consult on our business plan for 2007/8 and set a funding levy for the corresponding period
- ❖ pursue a court settlement relating to more than £1 million in fines from a network now in insolvency
- ❖ develop further web-search tools to help mobile users identify services for which they have been charged
- ❖ continue the process of consultation to take on board the views of stakeholders as we move towards regulating 0871 services in 2008.

We are committed to ensuring that consumers can use services with confidence. We are pursuing this goal by helping the industry to design-in compliance and consumer protection measures to their services. We also need to provide consumers with the information necessary for them to make informed choices. And we will continue to take fast and effective enforcement action where necessary.



George Kidd
Director
24 October 2006