

Hi Mark,

A response to the consultation on the live services compensation fund.

General

We believe that, if compensation for unauthorised use is available for any class of premium rate service, it should be available for them all. Recent examples of categories of service which have generated high levels of unauthorised use would be rogue diallers and reverse-billed SMS services which bill users without their consent. We would therefore suggest that PP+ should consider requiring every service provider to provide a bond, whose value would depend on the services which that SP intends to run. If (as is suggested in the discussion of Option 2) the requirement to provide a bond helps to ensure that rogue operators have not entered the market for provision of live services, surely this would apply to all other sectors of the industry.

We would support option 3. The Fund appears to be an unnecessary overhead and complication, and bonds provide a similar level of financial security. In addition, we would suggest the extension of a bond to all (or further) categories of service provider. This can be done without code changes; 5.1.1 is broadly enough worded to allow a bond to be required as part of the "imposition of additional conditions."

Dave