

ICSTIS Consumer Information Principles – Guidelines

Public Statement

ICSTIS agreed as part of the package of measures included in Ofcom's review of premium rate services in late 2004 to prepare a set of guidelines on our consumer information principles which would guide all interested parties on what activities ICSTIS would, and would not, undertake in this area.

We published our draft Guidelines for consultation in May 2005 and received nine responses from stakeholders, with a spread of fixed line and mobile companies, consumer protection bodies and a trade association. The responses to the initiative as a whole were largely very positive, though we have endeavoured to take on board all those comments which we think will improve clarity. The revised Guidelines are set out in the companion document to this statement.

We received responses from:

- Antelope (Claire Milne)
- BT
- Cathy Derrick, Children's TV Producer (response in personal capacity)
- Kingston Communications
- Local Authority Co-ordinators of Regulatory Services (Lacors)
- Network for Online Commerce (NOC)¹
- Orange
- Premium Rate Association (PRA)
- T-Mobile

This document provides a summary of stakeholder responses, ICSTIS' response and a reminder of the question. The full set of responses from stakeholders is available at www.icstis.org.uk/icstis2002/default.asp?node=62.

Key:

- **Question from consultation**
- Summary of stakeholder comment
- *ICSTIS response to stakeholder comment (where necessary). These have been numbered for ease of reference.*

QUESTION 1: Do you agree with these principles?

All respondents gave their general support for the principles.

The comments that went beyond general support were as follows:

Antelope noted that we could be clearer about the circumstances in which we take action and the circumstances in which stakeholders (especially phone networks) take action.

¹ The Committee has endeavoured to take into account the NOC's response where possible, though notes that this has not always been possible due to its late arrival.

PRA questioned whether use of the word 'communications' in the second paragraph of Section 4 is appropriate, as it sounds too much like Ofcom's remit.

1.1 We suggest that no change is necessary to the Guidelines as there is a clear enough caveat on the limit to ICSTIS' regulatory remit in the words 'falling within its remit'. To increase clarity, however, we have split the principles into three sets – those setting out what ICSTIS will deliver, those that explain how we shall do so and those that explain how we will keep them under review.

Orange agreed with the principles, but observed that ICSTIS must set out within its Guidelines the circumstances which would identify 'clear evidence' of the need for additional consumer information. Orange went on to note that it is likely that this will take the form of objective consumer research. And that this is an approach that Ofcom adopt and would support.

1.2 Running throughout Orange's response is a call for 'clear evidence'. We accept the point that we should always gather as much clear evidence as possible. We would add that we do try to get as much evidence together as possible for our work and will endeavour to do more and communicate this better. However we cannot always provide numeric evidence – a good case in point here being over complaints from children, whom we realise are a vulnerable audience, but we will often not see the complaints to back this up.

T-Mobile agreed with the principles but noted its firm belief that "it is its role, as a CP [Communications Provider] to handle any queries that its customers have with own-brand or third party services". T-Mobile did however go on to accept the value of the number checking database and that we should be the organisation that receives complaints.

1.3 We accept, welcome and respect T-Mobile's desire to look after its own customers, but it is critical to ICSTIS' effectiveness as a regulator that there should remain a direct route to the regulator for those with problems , especially those which may have a significant wider public interest dimension.

NOC noted that, except in urgent situations, industry consultation should be undertaken before action.

1.4 We have recently taken major steps to improve industry input to our regulatory processes through the appointment of industry members on our Committee, and we are consulting on other means for industry participation in our governance structures. These will develop and complement the existing ICSTIS Forum, the Network Operators' Committee and our regular bi-lateral meetings with interested parties. We accept the need for continuing dialogue and information sharing with the industry we regulate, but it is not practical to carry out formal consultation on the detail of all our consumer-facing activities, providing the detail is consistent with the principles.

QUESTION 2: Are there other principles which you think we need to observe? If so, what are they?

Unless stated below, respondents felt the principles to be sufficient. Comments that went beyond that were:

Orange did not add any principles, but re-stated its response to question 1.

PRA added that it might be worth explicitly saying that as one of the principles that: "If another body is better equipped to deal, then they should do". This to avoid the 'trap' of consumers expecting ICSTIS to do other organisations' jobs for them.

2.1 We believe that such a statement would pose an unnecessary constraint in circumstances where there is value to consumers in both ICSTIS and another body informing consumers (e.g. OFT consumer information work on ACE must not preclude us working to inform consumers too if this is beneficial to the market as a whole).

T-Mobile's response discussed more recognition of the 'respectable' industry's work, and more close monitoring of those repeat-offending CPs and SPs. We infer from this response that it would like to see this somehow be enshrined in our principles on consumer information.

2.2 We very much endorse industry activities of the kind described, but do not see that this should be enshrined in the principles.

QUESTION 3: Do you agree that our contact centre should provide advice and assistance to consumers where this is requested? If not, how else, or who else, might fulfil this role?

Those respondents not listed below broadly gave their support for the contact centre to continue to provide advice and assistance. Those who were not supportive, or who were supportive but had additional comments, are noted below:

BT and Kingston stressed that OCPs as a whole have recently taken on more responsibility for handling PRS enquiries at the front line, and noted Ofcom Review Recommendation 11, around what information OCPs should offer their customers.

3.1 We accept that OCPs can have a valuable role to play and we encourage them to do this. The principles have been amended to take account of this.

Lacors noted that it welcomes ICSTIS' contact centre, but stressed that its main shortcoming is that it cannot pursue redress on behalf of consumers and that there is a role for ICSTIS here. It went on to suggest that ICSTIS should consider providing consumers with assistance in securing redress even where it is not requested. I.e. getting redress to all users of a service found to be in breach, not just those who complain.

3.2 Instructing a provider to issue redress (or more precisely a refund for the total cost of the calls in dispute) remains a sanction available to the ICSTIS Committee and the Ofcom Review strengthens our powers in relation to this (see Ofcom Review recommendations 8 and 9). ICSTIS is not able, however, to ensure that everyone gets a refund in all cases and we cannot commit as a general Principle that we will pursue refunds for consumers nor that all users of a service in breach (not just complainants) will secure refunds.

Orange commended ICSTIS on the contact centre – and the improvements made to it. It urged ICSTIS to keep the contact centre up-to-date, in terms of technology as well as working to receive as many 'genuine' complaints as possible. It notes that the contact centre should not be used as a number-checker and saw Ofcom recommendation 12 (the central database of all SPs) as being a way forward.

PRA suggested that complaints should go to the OCP first and that OCPs should handle complaints and refer if necessary. PRA noted that this practice is set out in its helpline proposal of last year.

3.3 Again, we accept that OCPs can have a valuable role to play and we encourage them to do this. And the principles have been amended to take account of this. But we do not accept that the helpline only has a role after referral from OCPs. However, we accept that the first line of Section 5 (1. Contact Centre) could be misread as meaning that our contact centre is the first point of contact in all cases. It has been altered to make it clear that the contact centre is the first point of contact in ICSTIS for consumers with complaints...”.

T-Mobile did **not** agree that our contact centre should provide advice and assistance. T-Mobile’s comment in full is below:

If a consumer decides to speak to an ICSTIS contact centre agent, the agent should politely advise the consumer to contact their CP or the SP providing the service.

It must be recognised that some consumers may want to obtain advice from the PRS Regulator as opposed to their CP or the SP, and of course, the use of the ICSTIS 0800 freephone service will always have a role.

3.4 Again, we accept that OCPs have a valuable role to play, but do not accept that ICSTIS contact centre agents should be required in all circumstances to refer consumers back to their CP or the SP, if they have a legitimate complaint to make the regulatory authority. As above, we note however our alteration to the first line of Section 5.1.

The NOC asserted that: “the development of the ICSTIS contact centre as a front line customer service centre is an inappropriate use of ICSTIS resource”. And that: “the responsibility for first call customer support resides squarely with the owner of the customer – the Originating Network Operator”.

3.5 We do not agree that the development of the ICSTIS contact centre as a front-line customer service centre is an inappropriate use of ICSTIS resource and will continue to invest in it to continue to help the many thousands who contact us.

QUESTION 4: What thoughts or suggestions do you have on how the website could be a better consumer-facing interface?

General comments welcoming the site and ‘minor’ improvements that should be made included (non-exhaustive list):

- Illustrated descriptions of types of service to help the consumer better understand PRS
- Improving the way people navigate to our consumer information leaflets
- Improving information on redress
- The front page could be used a warning page for the latest scams

4.1 We very much welcome these, and the other suggestions. Steps are already in hand to improve our website and we will take note of all the suggestions as an input to this project.

Lacors suggested that the website could be used to request redress and that ICSTIS should not rely on it as a mechanism for contacting vulnerable consumers, as the majority of aged and vulnerable do not have PCs.

4.2 The issue of redress has been addressed above. On the issue of vulnerable consumers, we do appreciate that they are often without Internet access. We have therefore made it one of our principles that we will treat all types of communication channel equally.

PRA suggested that we should commit to the principles set down by the Disability Rights Commission, or similar, to ensure that we do all we can to get to those with disabilities.

4.3 The sixth bullet point in Section Four sets out that ICSTIS will need to take into account people with disabilities and we believe that this covers PRA's point as far as the Guidelines themselves go. Our current website is compliant with the standards set by bodies such as the Disability Rights Commission and we will continue to keep our website up to the standard of relevant legislation and / or guidelines in this area.

T-Mobile suggested that ICSTIS should commit explicitly to replying to those who make a complaint on its website.

4.4 We accept T-Mobile's point that ICSTIS should commit in its principles to responding to those who have made a complaint, following the conclusion of an investigation. Although we feel that we should add words to the effect of 'except in exceptional circumstances'. We note that during the 'dialler spike' of 2004 it was not practical (nor indeed possible) to respond to all complaints given the exceptional volume of complaints.

NOC observed that: "The development of the website to serve only consumer facing design parameters is a mistake in our view since it also has the potential to serve the wider PRS Industry, particularly with the proposal for a central database under consideration".

4.5 ICSTIS accepts that the website should be a resource both for industry and the consumer, supported by clear signposting as appropriate, and will continue to develop its website on this basis.

QUESTION 5: Do you agree with ICSTIS' proposed proactive work to support consumer information and education?

Respondents were supportive of ICSTIS action. Additional comments were as follows:

Cathy Derrick suggested we consider advertising to get to children and young people.

5.1 We welcome the suggestion and note that we have recently aimed to do more to target children and young people (text factsheet for children and young people and an MPs' Premium Rate Pack for Schools). Mass advertising however is, for the foreseeable future, well outside the scope of ICSTIS' budget.

Lacors was supportive of our work in this area, but noted that our work can be too reactive and that a genuinely proactive stance would be to put all PRS on an opt-in basis, instead of the current opt-out approach.

5.2 Opt-in versus opt-out is largely a matter for the OCPs, rather than ICSTIS and not something we could mandate. We would also note that such a move may be considered disproportionate. We absolutely appreciate the real harms that abusive premium rate services can cause and are there to stamp out this sort of practice, but would note that problems with premium rate are at a low level when compared to the size of the market.

Orange welcomed the concept but noted that it would like to see a great deal more detail of any proactive work and information about how this work might be delivered.

T-Mobile recognised that it is beneficial for consumers to understand how the PRS industry works and that there is a role for ICSTIS here, but that it should not necessarily consider a large proactive role. Furthermore, such work should occur only in consultation with industry.

5.3 As one of our principles, we have committed to consulting with stakeholders on the provision of consumer information where appropriate. Usually however formal consultation will not be appropriate for the execution of specific consumer information projects. But, where appropriate and cost effective, we will seek industry and other stakeholders' views on an informal basis.

QUESTION 6: Specifically, do you agree that basic information about ICSTIS' role and remit should appear on telephone bills and/or be communicated to consumers by OCPs?

BT agreed, but noted that any amount of space given over on its blue bill or elsewhere must be proportionate and recognise that PRS is but one issue.

Cathy Derrick strongly agreed with these suggestions.

Kingston, Orange and T-Mobile agreed that there is a general role for OCPs to provide such information, but did not necessarily see that their bills are a good place for such information.

Lacors very much agreed that there is a general role for OCPs to provide such information and that it is appropriate for such information to be on OCP bills.

PRA agreed that there is a general role for OCPs to provide such information. It also agreed that it might be appropriate for such information to be on OCP bills, so long as ICSTIS' remit can be adequately explained and that such a move does not mean that consumers bypass OCPs in situations in which they could deal with the enquiry better than ICSTIS.

6.1 Overall, and in response to all the comments, we welcome OCP efforts to promote premium rate information and we welcome ICSTIS information on bills, but recognise that this is a judgement that individual OCPs have the right to make. We have amended the bullet in the Proactive Consumer Information part of Section Five to reflect that being on the bill is a commercial decision that may not be appropriate or possible for all phone networks.

QUESTION 7: What thoughts do you have on the best media to use to inform consumers about premium rate services?

BT saw collaboration with consumer organisations as a good way to get out our messages, but noted that we should be mindful of budget constraints.

Kingston noted its belief that ICSTIS “makes the best use of available media given appropriateness, budget and time constraints”. It went on to add that “the impact the activities may have on stakeholders needs to be considered when deciding which activities to undertake”.

Lacors suggested (inter alia) that we use Local Authority Consumer Advisors.

Orange saw our media function as responding to media enquiries following breaches of the Code and noted that this objective can largely be met through a reactive response. It noted that the “ICSTIS Press Office appears to be able to cope with this well”.

The PRA noted that we should use the right media for occasion and that we should link to other appropriate bodies.

7.1 We thank our stakeholders for these comments and welcome them all. We will, as set out in the Press Office section of our website, always set levels of complaints and harm in their proper context.

T-Mobile suggested that the viability of ICSTIS establishing a text and email service that stakeholders can subscribe to could be explored.

7.2 We do not see this idea as affecting the wording of the Guidelines, but do see this idea as very interesting, and will be in touch with T-Mobile (and other mobile networks) to discuss scope for developing this idea.

QUESTION 8: What thoughts do you have on how we might enhance our media reporting operation?

BT was supportive of ICSTIS’ current media operation and suggested that we might want to do more.

Kingston suggested that we might want to make our media operation more transparent to our stakeholders.

8.1 We believe that our statement on our press office’s activities, in Section 5 helps fulfil our obligation to a transparent media operation.

Lacors suggested a simple mantra in our operation: “09 means money”.

8.2 We do recognise that 09 can be expensive, but would note that the price range for premium rate is (at present) from 10 pence, so can be cheaper than many other person-to-person calls. The main issue for ICSTIS’ regulation, as well as empowered consumers, however, is ensuring that the pricing of individual services, on which our Code has strict requirements, is clear, prominent and accurate.

Orange suggested that we should work proactively to ensure that consumers are well informed about the operation of premium rate services and to provide vulnerable consumers with information as to how they can prevent running up unexpectedly high telephone bills. Orange noted its belief that it would be prudent for ICSTIS to develop and deliver a core consumer education programme that is properly targeted to reach consumers who are considered to be particularly vulnerable i.e. children. Orange went on to note that the BBC 'Short Change' programme might be an especially good example of where to target its operation.

8.3 We agree with Orange's comments and to this end are building up a consumer resource to target children, with a text fact-sheet for children and an MPs' Premium Rate Pack for Schools. We would also note that we regularly contribute to, and appear on, 'Short Change'.

PRA noted that the measures suggested in the consultation document should lead to the media being aware and briefed.

OTHER POINTS

Orange noted that ICSTIS has not publicised this document particularly well and that it only became aware of it some weeks after it was released.

9.1 We note this comment, but the consultation was distributed to everyone who has signed up for our email alerts – about 1,600 individual sign-ups at the time of writing. And that we have stressed in numerous forums and publications that people need to sign up. We will however endeavour to develop an automated process for registering people, especially networks, who contact us.