

## Calling line identification and nuisance calls

### Department for Culture, Media and Sport

RPC rating: **validated**

#### Description of proposal

The proposal will introduce a requirement for calling line identification to be used for direct marketing calls. The Telephone Preference Service (TPS) is intended to protect individuals from unwanted marketing calls. However, some businesses are not providing calling line identification when making marketing calls. This can make it difficult for the Information Commissioners Office (ICO) to take enforcement action against those businesses.

#### Impacts of proposal

The Department estimates around 2,000 businesses are involved in direct marketing calls. This is based on information from the Direct Marketing Association (DMA). Industry evidence, and the experience of Ofcom and the ICO, suggests around 50% of direct marketing calls do not provide calling line identification. The Department assumes that this means around 50% of direct marketing businesses do not use calling line identification and will be affected by the proposal.

Based on evidence from the DMA, the Department estimates that it will take on average a maximum of one hour of administrator's time to activate calling line identification for each business. This requires either a telephone call to the telephone provider or amending the settings on an automatic dialler. The total one-off cost of this is expected to be £0.01 million (£12 per business including non-wage labour costs).

The Department does not expect there to be significant lost revenue to businesses as a result of direct marketing businesses having to provide calling line identification.

The RPC validates the equivalent annual net cost to business (EANCB) as £0.0 million. This is a qualifying regulatory provision that will be reported under the business impact target.

#### Quality of submission

The Department has provided a proportionate amount of evidence to support the validation of the estimated cost to business. The amount of consultation undertaken

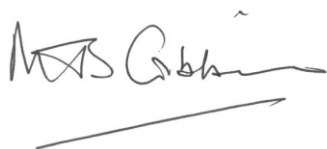
appears to be limited, for example the Department has consulted with the DMA regarding the potential loss of revenue to businesses that currently withhold calling line identification. While the IA recognises that some businesses may experience a competitive advantage by hiding their numbers, the Department and the DMA expect the impact to be relatively small, and not proportionate to monetise. However, it would appear that the DMA, as it represents businesses that do use calling line identification, might have an interest in understating any costs. As the main benefit for the proposal will be to consumers, the IA should present further consultation evidence, for example by providing greater detail of any engagement undertaken with consumers affected by nuisance calls. The IA would also benefit from providing an indication of the scale of direct marketing businesses revenues, to provide further reassurance that there is limited scope for significant reductions in revenue.

### Departmental assessment

Classification	Qualifying regulatory provision (IN)
Equivalent annual net cost to business (EANCB)	£0.001 million
Business net present value	-£0.01 million
Societal net present value	£0.01 million

### RPC assessment

Classification	Qualifying regulatory provision (IN)
EANCB – RPC validated <sup>1</sup>	£0.0 million
Business Impact Target (BIT) Score <sup>1</sup>	£0.0 million
Small and micro business assessment	Not required (fast track low-cost regulation)



**Michael Gibbons CBE**, Chairman

<sup>1</sup> For reporting purposes, the RPC validates EANCB and BIT score figures to the nearest £100,000.