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**Operation LINDEN**Unsolicited Marketing Communications Strategy Meeting

PSA, 25th Floor, 40 Bank Street, Canary Wharf, London, E14 5NR  
30 October 2019, 1pm-4pm

**Chair – ICO:**

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| Dave Clancy | Information Commissioner’s Office (ICO) |
| Stephanie Braley | Information Commissioner’s Office (ICO) |

**Attendees:**

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| Greg Williams | Financial Conduct Authority (FCA) |
| Mike Lordan | Data & Marketing Association (DMA) |
| George Kidd | Direct Marketing Commission (DMC) |
| Catherine Orr | Fundraising Regulator (FR) |
| Priya Warner | Fundraising Regulator (FR) |
| Julie Corney | Market Research Society (MRS) |
| Ceri Lloyd | Solicitors Regulation Authority (SRA) |
| John Davies | Insurance Fraud Bureau (IFB) |
| Alan Tonge | Insolvency Service (IS) |
| Mark Littler | The Pensions Regulator (TPR) |
| Anisha Maxwell | The Pensions Regulator (TPR) |
| Madhu Bedhan | The Office of Communications (OFCOM) |
| Tamara Luther | The Office of Communications (OFCOM) |
| Sarah Scott | Phone-paid Services Authority (PSA) |

**Apologies:**

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| Christopher Hall | Solicitors Regulation Authority (SRA) |
| Stephen Sullivan | DMA Contact Centre Council Member |
| Richard Clarke | National Trading Standards Scams Team |
| Debrah Harding | Market Research Society (MRS) |
| Helen Kibbey | Charity Commission (CC) |
| Matt Davidson | Charity Commission (CC) |
| Claire Haines | Insurance Fraud Bureau (IFB) |
| Siobhan Woolmer | Gambling Commission (GC) |
| Andrew Cooke | National Trading Standards Intelligence Team |

**Aim of LINDEN**

To capture and share intelligence effectively and identify, plan, deliver and promote coordinated activity to maximise enforcement opportunities against individuals and organisations responsible for breaching legislation associated with unsolicited marketing texts, live and automated calls and silent or abandoned calls. To protect the privacy and consumer rights of individuals and to improve compliance.

**Agenda**

* **Introductions -** For those who have not previously attended **(All)**
* **Guest Speaker –** Griffins Insolvency; short presentation prior to the meeting
* **ICO updates –** Including a wrap up of reporting; focusing on a six-monthly update, recovery actions and what we have planned
* **Activity and actions updates -** 5 minute update on relevant activity from each organisation, as well as proposed actions for the next quarter. **(All)**

*Networking break*

* **OFCOM –** ‘Stop Scams UK’ update
* **Week of Action** – Invitation and discussion around proposals for future work
* **Financial Recovery Unit –** update on current work
* **Operations update –** Operation Laramie
* **International enforcement –** UCENet Strategic Event update
* **AOB** (Inc. intelligence requirements and next meeting / host & minutes)

**Guest Speaker**

Short presentation provided by the guest speakers on the company and its activities. Additional guest speakers may be considered in the future.

**ICO updates**

**Enforcement**

* So far in financial year 2019/20 there have been six monetary penalties issued, totalling £700,000. During the previous financial year 24 were issued in total.
* MPs under Reg 21: Smart Home Protection Limited (£90k), Avalon Direct Limited (£80k), Superior Style Home Improvements Ltd (£150k), Making It Easy Ltd (£160k).
* MPs under Reg 22 SMS: Hall & Hanley (£120k) and EE Limited (£100K).
* There have been two Notice of Intents issued, totalling £1 million.
* In addition, a number of investigations are due to conclude with formal enforcement action recommended.
* Investigation remains intelligence led with an increasingly strategic approach; key sectors for the next quarter including pensions, life insurance and accident claim lead generation.
* Cases taken forward must have a marketing element rather than just being fraudulent in nature. The latter are referred to action fraud, as appropriate.

**Intelligence**

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| **19-20** | **Total number of concerns** | **Change compared to 18-19** |
| **Q1** | **33,066** | **+6,202 / +23%** |
| **Q2** | **34,149** | **-5,050 / -13%** |
| **Q3\*** | **10,313** | **-5,459 / -35%** |

***\* Q3 figures are to date and therefore only include concerns reported in October 2019.***

* During 2018 we consistently saw a year on increase in concerns reported to the ICO. Whilst that was also true of the start of 2019, recent months have seen this trend even out and then begin to reverse when considered month on month, rather than by quarter.
* This decrease was particularly noticeable in September where complaints were down by approximately 39% year on year. This can be attributed to the large spike in accident claims concerns the previous September, following the introduction of the CMC cold call ban. It is likely this spike was artificial in nature, caused by increased media attention and public awareness of the issue and the ICO’s online reporting tool, rather than an increased in the number of related cold calls being made.
* Looking at 2019 in isolation, complaint levels have been relatively steady, though they have been declining overall. This is expected to continue in the run up to Christmas.
* Typically, in the last year we have seen more live than automated calls reported. Since April this year there has been a more even distribution amongst these call types – with both live and automated calls being responsible for around 44% of complaints each in September. SMS messages continue to be reported to the ICO in far smaller numbers, though have remained steady throughout the year.
* Accident claims remains the top reported call topic by far, followed by broadband and other telecoms. In terms of the latter topic, concerns traditionally relate to ISP broadband scam calls, though we are starting to see an increase in sales and marketing call concerns allegedly from communication service providers themselves.
* We will also be launching a new online reporting tool for PECR email complaints which will go live by the end of the year. It is hoped the ease of use will result in a greater number of reports to the ICO and therefore a better intelligence picture. The plan is to start including these figures within the monthly threat assessment and external packages, where relevant, as soon as possible.
* Of interest, following the end of August deadline, PPI concerns are down by 150 / 73% in September. The biggest change was in the SMS category, which dropped from 128 concerns to just 11 concerns reported. (-117 / 91%).

**Activity & Action updates (ALL)**

**Solicitors Regulation Authority**

* Approximately 50 investigations so far this year involve elements of cold calling or coercion to make calls.
* Continued working with partners including the ICO, with a focus on cases involving insurance claims.
* Current themes of interest are PI and RTA which are still constant and significant areas of work.
* Trying to identify solicitors involved with the aim of preventative work ahead of disciplinary action.

**Phone-Paid Services Authority (PSA)**

* The PSA has recently issued a £600,000 fine and a two-year prohibition from the market to Veoo Ltd, a payment platform provider enabling other companies to bill consumers’ phone bills. The company will also need to submit to a formal compliance audit should it wish to return to the market once this ban ends.
* The PSA continues to focus on preparing for the new iteration of our Code of Practice.

**Insurance Fraud Bureau (IFB)**

* Starting to see an increasing risk in cold call vishing
* Emphasis placed on importance of information sharing between regulators.

**Financial Conduct Authority (FCA)**

* The FCA has continued to focus on processing applications for CMCs following the transition of regulation from the Ministry of Justice. In general, the quality of applications has been quite poor.
* In spite of the PPI deadline, seeing some firms suggest they intend on litigating for mis-sold PPI claims. In some instances, firms are attempting to go back through data lists to carry out further direct marketing but aren’t complying with PECR or GDPR. In addition, more CMCs seem to be getting involved in mis-sold SIPPs claims. In some instances, failed SIPPs firms are looking to sell client data to CMCs to pursue mis-selling claims.

**Data & Marketing Association (DMA / TPS)**

* Continue to see reduction in concerns year on year, even when accounting for seasonality. Possible reasons may be that automated calls, which can often be the cause of increases in volume, are not within TPS remit. May also be influenced by reporter apathy or complain fatigue.
* There have been fewer cases reported where the caller is identifiable.
* Many spoof calls relating to AC companies and CLIs.
* Continue to work with ICO and support cases and call action logs.

**Insolvency Service (IS)**

* 4,422 complaints received since the first of April.
* 602 director disqualifications.
* 216 referrals made to criminal investigatory bodies.

**Direct Marketing Commission (DMC)**

* Complaint levels are steady with figures per month are in the dozens not hundreds.
* About half are non-member issues and referred to colleague agencies.
* 90% of the retained cases can be resolved informally.
* Live issues are with third party lead generation business and the mailings and calls that result when they use the legitimate interest basis.  We do not debate that right but are looking at whether retention periods and opt out offers are fair and reasonable.
* MOU with ASA / CAP completed.

**Fundraising Regulator (FR)**

* The Fundraising Regulator received 737 new complaints between September 2018 – August 2019, and resolved 757 cases within the same time frame.
* This represents a 33% decrease on last year.
* 41% of the complaints received were out of remit.
* The Fundraising Preference Service (which allows individuals to control unwanted contact from named charities) has received nearly 30,000 suppression requests in total since it launched in 2017, completed by nearly 10,000 individuals.

**The Pension Regulator (TPR)**

* TPR is actively investigating pension scams.
* Suspected recovery fraud where members of a scam scheme pays a sum to arrange to have their pension transferred from a scam to another scheme for investment in alternative investments.
* Pension Providers are reporting an increase in subject access requests from Claims Management Firm or solicitors. It is unclear at this stage how they are identifying customers or whether there is further exploitation of pension scam victims.
* Continuing the scam campaigns with FCA and other Bloom partners.

**OFCOM**

* Notable decrease in complaints seen over the past few months – Q2 figures are down compared to the same time last year.
* Analysis of complaints data and industry reports is enabling informal engagement with CLI number range holders (CSPs) where these numbers are subject to misuse.
* Numbers can now be withdrawn under new powers, when the number holders don’t take effective steps to stop the harm being caused by misuse.
* A ‘Do Not Originate’ has been established and shared with providers within the strategic working group. The Scottish Government and Welsh Assembly along with HMRC, UK Finance and various banks and insurance companies have all submitted potentially fraudulent numbers to be blocked at a network level. 12,000 numbers are now contained on the list.
* Continuing to work with the FCA on a joint initiative aiming to bring social media, telecoms, and banking sectors together to make a co-ordinated response to tackle scams.
* Senior level roundtable held in November 2019.
* Published Nuisance calls tri-annual tracker research in September 2019.

**Stop Scams UK (OFCOM)**

* New joint industry initiative – led by OFCOM and the FCA.
* Aims to bring banks, communications providers and social media together to try and tackle scams.
* First stage is raising awareness, second stage is arranging ambassadors and the third is implementation.
* Senior level roundtable held in November 2019.

**Week of action (DC)**

Standing agenda item to promote proactive cross-regulator engagement.

* Possibility of a joint Comms push was discussed – topic suggestions to be emailed to the ICO.
* ICO proposed work into raising consumer awareness of the monetary value of personal data and the need for individuals to be cautious when sharing.
* FR proposed a more focused message comprised of the top 3-5 items of existing work within the group.
* SRA suggested key messages for scam avoidance.
* Discussion ongoing.

**Financial Recovery Unit update (DC)**

* In 19/20 so far there have been 6 PECR penalties issued and seven director disqualifications for a total of 40 years.
* In terms of MPs from 18/19, 11 companies have paid or are paying, nine are subject to recovery (six of which are now in liquidation), three companies have been wound up and two companies entered into creditors voluntary liquidation.
* FRU continues to support IP’s investigations and are hopeful to have dividend payments confirmed as the year progresses.

**Operation LARAMIE update (DC)**

* Operation relates primary to life insurance nuisance call concerns. An update was provided, however, this is an ongoing investigation and details cannot be shared at this time.

**International Enforcement update (SB)**

* Adam Stevens (Head of ICO Intelligence) attended the Unsolicited Communications Enforcement Network annual meeting w/c 14 October in Montreal. As previously, this was hosted alongside the Messaging Mobile and Malware Anti-Abuse Working Group (M3AAWG).
* This year the executive committee identified leads to establish working groups in relation to each of the three priority areas previously agreed; intel and cooperation, communication and engagement and training and development.
* Discussions were then held as to how this work could be taken forward by the network as a whole. Over the next few months three workplans correlating with the priority areas will be produced.

Some other notable sessions, included:

* An update on caller ID verification (“SHAKEN/STIR”) in the US and Canada – i.e. ensuring at a network level that a call is coming from where it says it is.
* A session highlighting the importance of collaboration between industry, regulators and consumer organisations. Op LINDEN was cited as an example of this at a national level.
* Discussion on the growing amounts of telephone/SMS spam being reported globally – driven primarily by scam activity.

**Any Other Business (All)**

* N/A.
* Offers to host the next meeting in Jan/Feb requested.
* Participants asked to provide a activity summary for the meeting minutes.
* Session closed thanking participants for attending and PSA for hosting.