Press release: New measures to beat plague of nuisance calls

Bosses of companies which plague people with unsolicited nuisance calls could be fined as much as half a million pounds under new proposals to make them personally liable if their firm breaks the law.

The UK data protection watchdog revealed last week it had recovered just over half (54 per cent) of the £17.8 million in fines issued for nuisance calls since 2010, as companies go into liquidation to avoid big penalties.

This follows latest estimates by Ofcom showing British consumers were bombarded with 3.9 billion nuisance phone calls and texts last year.

As it stands, only the businesses themselves are liable for fines of up to £500,000, and some directors try to escape paying penalties by declaring bankruptcy — only to open up again under a different name. The Insolvency Service can also disqualify people from boardroom positions and failure to adhere to this ruling could lead to a prison sentence.

But new Government proposals being consulted on will provide the Information Commissioner's Office (ICO) with the powers it needs to hold company directors directly responsible with further fines of up to £500,000.

Minister for Digital and the Creative Industries Margot James said:

Nuisance calls are a blight on society and we are determined to stamp them out.

For too long a minority of company directors have escaped justice by liquidating their firms and opening up again under a different name.

We want to make sure the Information Commissioner has the powers she needs to hold rogue bosses to account and put an end to these unwanted calls.

Steve Wood, Deputy Commissioner (Executive Director- Policy), Information Commissioner's Office, said:

We welcome these proposals from the Government to make directors themselves responsible for nuisance marketing.

We have been calling for a change to the law for a while to deter those who deliberately set out to disrupt people with troublesome calls, texts and emails. These proposed changes will increase the tools we have to protect the public.

The Government has already made it easier for regulators to fine those breaching direct marketing rules, forced companies to display their number when calling customers and increased fines for wrongdoers.

Ofcom data suggests this action is working. The total complaints made to the ICO and Ofcom about nuisance calls have fallen for the second year in a row.

The Government has also:

- Introduced a measure in the Digital Economy Act 2017 to make it a requirement for the Information Commissioner to issue a statutory code of practice on direct marketing;
- Amended the Privacy and Electronic Communications Regulations (PECR) to require all direct marketing callers to provide Caller Line Identification;
- Lowered the legal threshold at which the ICO may impose a monetary penalty on organisations breaching PECR (a previous requirement to prove that the call caused alarm or distress was removed);
- Made it easier for the ICO to more effectively share information with Ofcom in relation to nuisance calls through an amendment to the Communications Act 2003;
- Given the ICO the power to issue monetary penalty notices up to £500,000 for serious breaches of PECR;
- Introduced a ban on cold calling in relation to claims management services through the Financial Claims and Guidance Act 2018, except where the receiver has consented to such calls being made to them. The 2018 Act also includes powers to ban cold calls from pension providers; and
- Given £500,000 to Trading Standards to help install call blocking devices installed in the homes of vulnerable people.

Notes to editors

- For more info call DCMS press office on 020 7211 2210.
- The consultation closes in August.
- Government would amend the Privacy and Electronic Communications Regulations legislation to make directors liable for nuisance call

fines.

- ICO will consider the level of fine based on evidence (whether it applies to a company, director, or both).
- If a firm has multiple directors, each could be liable for a fine.
- In 2016/17, the Information Commissioner issued 23 companies more than £1.9m of fines for nuisance marketing.