Consultation response form

Your response

Volume 2: The causes and impacts of online harm

Ofcom's Register of Risks

Question 1:

i) Do you have any comments on Ofcom's assessment of the causes and impacts of online harms?

Response: So far as is relevant to National Trading Standards (Proceeds of crime offences and Fraud and Financial services offences) we believe the relevant areas are covered. It is positive to see the particular importance of search and social media and the impact such platforms have in exposing large number of consumers to the risk of being defrauded. However, we believe clarity is required regarding the sale of counterfeit goods online. In Volume 2 of the consultation documents this is referred to as a type of 'purchase fraud' yet the S59(6) of the Act explicitly excludes Intellectual Property infringements.

With specific reference to paragraph 2.9 in Volume 1 of the consultation documents, we welcome the reference to behaviour that may occur offline. We believe this needs to be an important part of any future considerations. From a Trading Standards perspective, we regularly see instances where the online content is not illegal per se, but there will be misleading content which is the clear route by which the consumer is ultimately defrauded. For example, in 'doorstep crime' type offending, where known organised crime groups defraud consumers for overpriced and unnecessary building work. The fraud is ultimately committed in the home, but the consumer will have increasingly identified the 'business' through misleading search or, as is now often the case, misleading social media content.

ii) Do you think we have missed anything important in our analysis? Please provide evidence to support your answer.

Response: No.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 2:

i) Do you have any views about our interpretation of the links between risk factors and different kinds of illegal harm? Please provide evidence to support your answer.

Response: No comments to make.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Volume 3: How should services assess the risk of online harms?

Governance and accountability

Question 3:

i) Do you agree with our proposals in relation to governance and accountability measures in the illegal content Codes of Practice?

Response: We agree. As outlined in the consultation document, there are likely to be significant costs attached to implementing the additional governance and risk management requirements. However, there are various reports and statistics that attempt to estimate the scale of online fraud (for example Ofcom report March 2023) and whilst estimates of scale differ, there is no doubt the direct and indirect financial losses, personal impact and wider impact on the UK economy are significant. As such, we agree that good governance and accountability is sufficiently important to justify these costs.

ii) Do you think we have missed anything important in our analysis? Please provide evidence to support your answer.

Response: No.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 4:

i) Do you agree with the types of services that we propose the governance and accountability measures should apply to?

Response: We agree.

ii) Please explain your answer.

Response: As outlined in the response to Q1, we believe that both search and social media services in particular play a significant role in exposing consumers to the risk of fraud. In almost all the cases supported by the National Trading Standards eCrime Team, the route to consumers being defrauded has been via search or social media content. The proposals to include all 'large' and 'multi-risk' services in the enhanced governance and accountability measures would capture this risk.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 5:

i) Are you aware of any additional evidence of the efficacy, costs and risks associated with a potential future measure to requiring services to have measures to mitigate and manage illegal content risks audited by an independent third-party?

Response: We are not aware of any direct evidence of the efficacy, costs or risks, however, as outlined in our response to Q3, the sheer scale of online fraud and the associated direct and indirect financial losses, personal impact and wider impact on the UK economy are significant. As such, we believe it is important to explore in detail the future potential for independent auditing of services' measures to ensure they are sufficiently detailed and robust.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 6:

i) Are you aware of any additional evidence of the efficacy, costs and risks associated with a potential future measure to tie remuneration for senior managers to positive online safety outcomes?

Response: See response to Q5.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Service's risk assessment

Question 7:

i) Do you agree with our proposals?

Response: We agree.

ii) Please provide the underlying arguments and evidence that support your views.

Response: As set out in the consultation document, the proposed approach matches best practice and current standards in risk management, including mirroring risk assessment implemented in other sectors. For these reasons we believe it is self-evident that the proposed approach is both proportionate and appropriate.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Specifically, we would also appreciate evidence from regulated services on the following:

Question 8:

i) Do you think the four-step risk assessment process and the Risk Profiles are useful models to help services navigate and comply with their wider obligations under the Act?

Response: Not applicable.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: Not applicable.

Question 9:

i) Are the Risk Profiles sufficiently clear?

Response: Not applicable.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Do you think the information provided on risk factors will help you understand the risks on your service?

Response: Not applicable.

iv) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

v) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: Not applicable.

Record keeping and review guidance

Question 10:

i) Do you have any comments on our draft record keeping and review guidance?

Response: We broadly agree with the proposed guidance.

ii) Please provide the underlying arguments and evidence that support your views.

Response: It is not clear from the proposals whether any aspects of the written records would be made public. It is assumed that full details of risk assessments and measures taken by the platforms would, understandably, not be made public. However, we would suggest services publishing publicly some form of summary of their risk assessments, and a high-level overview of the measures they are taking to mitigate any risks, would help drive public confidence that online harms were being treated with appropriate importance (see also response to Q 29). It is well documented that online fraud is significantly underreported, with a key reason often cited as "nothing will be done about it". Improving public confidence in the system as a whole, and demonstrating that something is "being done", may help improve reporting levels.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 11:

i) Do you agree with our proposal not to exercise our power to exempt specified descriptions of services from the record keeping and review duty for the moment?

Response: We agree.

ii) Please provide the underlying arguments and evidence that support your views.

Response: We believe it is a matter of good business practice and due diligence to expect businesses (services) to carry out risk assessments and exercise reasonable care in ensuring their activities do not expose consumers to undue risk. In the world of consumer protection, this is core to assessing whether a business may have acted unreasonably and as such support the argument that specified descriptions of services should not be exempt.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Volume 4: What should services do to mitigate the risk of online harms

Our approach to the Illegal content Codes of Practice

Question 12:

i) Do you have any comments on our overarching approach to developing our illegal content Codes of Practice?

Response: We broadly agree with the overall approach. Although we have focused our comments on the subsequent relevant questions (13 to 47) in relation to this Volume, we particularly welcome the proposal to implement a dedicated Fraud Reporting Channel for applicable services.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 13:

i) Do you agree that in general we should apply the most onerous measures in our Codes only to services which are large and/or medium or high risk?

Response: We agree.

ii) Please provide the underlying arguments and evidence that support your views.

Response: When considering criminal investigations supported by National Trading Standards where there is a clear link to online activity, a significant proportion of those investigations stem from online services that would be considered large and/or medium risk. Equally, when considering online disruption activity undertaken by National Trading Standards (domain suspensions, removal of harmful social media content etc.) a significant proportion of that activity relates to online services that would be considered large and/or medium risk.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 14:

i) Do you agree with our definition of large services?

Response: We agree.

ii) Please provide the underlying arguments and evidence that support your views.

Response: It is somewhat difficult to provide empirical evidence to support the view as in many ways a "line must be drawn somewhere". Therefore, we believe the definition proposed appears to be proportionate, particularly as it based on existing (albeit EU) legislation.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 15:

i) Do you agree with our definition of multi-risk services?

Response: We agree.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Services that tend to exhibit a high risk in relation to online fraud (for example search and social media) will, in our view, also pose a high risk in relation to other forms of illegal harm and would therefore meet the proposed definition of a multi-risk service.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 16:

i) Do you have any comments on the draft Codes of Practice themselves?

Response: As set out earlier, our comments focus specifically on the elements that relate to fraud. We broadly welcome the proposed Codes of Practice, in particular where it is proposed services should have due regard to information sourced from persons with expertise in the identification of content that might be considered fraudulent. We also welcome the proposals to develop dedicated fraud reporting channels and the notion of 'trusted flaggers'. We would urge consideration to expand the proposed list of 'trusted flaggers' to include Trading Standards. National Trading Standards currently undertakes work to disrupt online harm directed at UK consumers. This includes, amongst other things, domain suspensions and the removal of harmful social media content. We believe the additional of 'trusted flagger' status will further enhance the protection of UK consumers.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 17:

i) Do you have any comments on the costs assumptions set out in Annex 14, which we used for calculating the costs of various measures?

Response: No comments to make.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Content moderation (User to User)

Question 18:

i) Do you agree with our proposals?

Response: We agree.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Many existing large and/or multi-risk services already have published polices and guidelines about what content is allowed and not allowed on the service. The proposals should therefore help build upon existing industry practice.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Content moderation (Search)

Question 19:

i) Do you agree with our proposals?

Response: We agree

ii) Please provide the underlying arguments and evidence that support your views.

Response: As per our response to Q18, the majority of large services will already have some elements of these proposals in place, however these proposals should help bring consistency across all applicable services.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Automated content moderation (User to User)

Question 20:

i) Do you agree with our proposals?

Response: We agree

ii) Please provide the underlying arguments and evidence that support your views.

Response: The volume of fraudulent content on services is simply too large to reasonably expect services to rely solely on human moderation, or referrals from regulators, law enforcement and the like. As such, an element of automated moderation is a key part of the response. This is particularly so with the increase prevalence of AI and learning models. As described in other areas of the consultation, supporting this with human intervention and the concept of 'trusted flaggers' is likely to provide a more effective means of identifying and removing content, whilst assisting in the continued development of the learning models used by services.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 21:

i) Do you have any comments on the draft guidance set out in Annex 9 regarding whether content is communicated 'publicly' or 'privately'?

Response: No comment to make.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Do you have any relevant evidence on:

Question 22:

i) Accuracy of perceptual hash matching and the costs of applying CSAM hash matching to smaller services;

Response: Not applicable.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: Not applicable.

Question 23:

 Ability of services in scope of the CSAM hash matching measure to access hash databases/services, with respect to access criteria or requirements set by database and/or hash matching service providers;

Response: Not applicable.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: Not applicable.

Question 24:

i) Costs of applying our CSAM URL detection measure to smaller services, and the effectiveness of fuzzy matching for CSAM URL detection;;

Response: Not applicable.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: Not applicable.

Question 25:

 Costs of applying our articles for use in frauds (standard keyword detection) measure, including for smaller services;

Response: We agree the costs are likely to be significant for some services, however as previously discussed, we believe this is justified given the acknowledged scale and harms associated with online fraud.

ii) Please provide the underlying arguments and evidence that support your views.

Response: National Trading Standards has supported the prosecution of a number of fraud and money laundering cases where the articles for use in the fraud were procured through online services. National Trading Standards has also undertaken disruption activities alongside other UK regulators where the articles for use were procured online (for example, in the sending of millions of unsolicited text messages using 'SIM farms'). The criminal cases and associated disruption activity have involved tens of millions of pounds in harm and affected millions of UK consumers.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 26:

i) An effective application of hash matching and/or URL detection for terrorism content, including how such measures could address concerns around 'context' and freedom of expression, and any information you have on the costs and efficacy of applying hash matching and URL detection for terrorism content to a range of services.

Response: Not applicable.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: Not applicable.

Automated content moderation (Search)

Question 27:

i) Do you agree with our proposals?

Response: As this proposal seems largely to focus on CSAM, it is not applicable to National Trading Standards. However, we would suggest that consideration be given to extending these proposals to other illegal harms, including fraud.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

User reporting and complaints (U2U and search)

Question 28:

i) Do you agree with our proposals?

Response: We agree, in particular with the proposals to establish and maintain a dedicated reporting channel for trusted flaggers and to provide simple and consistent reporting services for the public.

ii) Please provide the underlying arguments and evidence that support your views.

Response: As set out in our response to Q16, National Trading already undertakes a range of activities to disrupt online harms directed at UK consumers. The activities are an important part ensuring UK consumers are protected from being exposed to the risk of a range of online frauds. In many of these cases, the arrangements by which we highlight content to online services is not covered by any formal and/or statutory process. It is often based on mutual trust in that National Trading Standards has consistently demonstrated it can accurately identify harmful content and therefore the online services we work with can be confident in removing such content. We believe this work demonstrates the key reasoning behind the concept of being designated as a 'trusted flagger' and these proposals would build upon existing 'informal' arrangements and further strengthen protections for UK consumers.

Additionally, as set out in our response to Q10, there is an acknowledged chronic underreporting of online fraud. Providing simple and consistent means by which fraud (and other illegal harms) can be reported by the public may assist in driving up reporting levels and help to identify and mitigate harmful content more quickly.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Terms of service and Publicly Available Statements

Question 29:

i) Do you agree with our proposals?

Response: We agree

ii) Please provide the underlying arguments and evidence that support your views.

Response: There is clear evidence of a strong consumer sentiment that "not enough is done" to tackle online fraud. As set out in our response to Q11, we believe publicly accessible information is key to building public confidence and helping demonstrate that positive steps are being taken to tackle online fraud.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 30:

i) Do you have any evidence, in particular on the use of prompts, to guide further work in this area?

Response: No evidence offered.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Default settings and user support for child users (U2U)

Question 31:

i) Do you agree with our proposals?

Response: Not applicable

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: Not applicable.

Question 32:

i) Are there functionalities outside of the ones listed in our proposals, that should explicitly inform users around changing default settings?

Response: No.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 33:

i) Are there other points within the user journey where under 18s should be informed of the risk of illegal content?

Response: Not applicable.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: Not applicable.

Recommender system testing (U2U)

Question 34:

i) Do you agree with our proposals?

Response: Not applicable.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 35:

i) What evaluation methods might be suitable for smaller services that do not have the capacity to perform on-platform testing?

Response: No comment to make.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

We are aware of design features and parameters that can be used in recommender system to minimise the distribution of illegal content, e.g. ensuring content/network balance and low/neutral weightings on content labelled as sensitive.

Question 36:

i) Are you aware of any other design parameters and choices that are proven to improve user safety?

Response: No comment to make.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Enhanced user control (U2U)

Question 37:

i) Do you agree with our proposals?

Response: The specific harms listed are not applicable to National Trading Standards.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 38:

i) Do you think the first two proposed measures should include requirements for how these controls are made known to users?

Response: Not applicable.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 39:

i) Do you think there are situations where the labelling of accounts through voluntary verification schemes has particular value or risks?

Response: Not applicable.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

User access to services (U2U)

Question 40:

i) Do you agree with our proposals?

Response: The proposed harms specified are not relevant to National Trading Standards.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Do you have any supporting information and evidence to inform any recommendations we may make on blocking sharers of CSAM content? Specifically:

Question 41:

i) What are the options available to block and prevent a user from returning to a service (e.g. blocking by username, email or IP address, or a combination of factors)?

Response: Not applicable.

ii) What are the advantages and disadvantages of the different options, including any potential impact on other users?

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: Not applicable.

Question 42:

i) How long should a user be blocked for sharing known CSAM, and should the period vary depending on the nature of the offence committed?

Response: Not applicable.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: Not applicable.

There is a risk that lawful content is erroneously classified as CSAM by automated systems, which may impact on the rights of law-abiding users.

Question 43:

i) What steps can services take to manage this risk? For example, are there alternative options to immediate blocking (such as a strikes system) that might help mitigate some of the risks and impacts on user rights?

Response: Not applicable.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: Not applicable.

Service design and user support (Search)

Question 44:

i) Do you agree with our proposals?

Response: We agree.

ii) Please provide the underlying arguments and evidence that support your views.

Response: We have seen evidence (particularly in cases similar to those referred to in our response to Q49) where predictive search has yielded suggested searches that would likely lead to fraudulent content. As such, these proposed measures could help mitigate against consumers accessing such content.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Cumulative Assessment

Question 45:

i) Do you agree that the overall burden of our measures on low risk small and micro businesses is proportionate?

Response: We agree

ii) Please provide the underlying arguments and evidence that support your views.

Response: The proposals seem reasonable, however in our experience the risk of fraud (in particular) is low from small/micro services due to the propensity for those looking to commit fraud tending to use large services, principally due to their reach. It is therefore difficult to provide a definitive opinion in respect of these proposals.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 46:

i) Do you agree that the overall burden is proportionate for those small and micro businesses that find they have significant risks of illegal content and for whom we propose to recommend more measures?

Response: Please see our response above to Q45.

ii) Please provide the underlying arguments and evidence that support your views.

Response: See above.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 47:

i) We are applying more measures to large services. Do you agree that the overall burden on large services proportionate?

Response: We agree.

ii) Please provide the underlying arguments and evidence that support your views.

Response: As set out in our response to previous questions, large services tend to pose a much higher risk of exposing consumers to large-scale fraud and as such, the additional burdens are appropriately reflective of the scale of harm caused.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Statutory Tests

Question 48:

i) Do you agree that Ofcom's proposed recommendations for the Codes are appropriate in the light of the matters to which Ofcom must have regard?

Response: No comment to make.

ii) Please provide the underlying arguments and evidence that support your views.

Response: Not applicable.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Volume 5: How to judge whether content is illegal or not?

The Illegal Content Judgements Guidance (ICJG)

Question 49:

i) Do you agree with our proposals, including the detail of the drafting?

Response: We agree.

ii) What are the underlying arguments and evidence that inform your view?

Response: It is acknowledged in the consultation documents that online fraud is likely one of the most technically difficult aspects of the Act, in particular false representations. However, it is equally acknowledged there are occasions when the context of the representation can have a bearing on whether the content is likely to be a false representation. For example, National Trading Standards has supported the prosecution of a number of fraud cases concerning the provision of official documentation (e.g. passports, driving licenses etc.) In all cases, the frauds stemmed from either misleading search and/or social media content. The context of this content was that it purported to offer services in obtaining "official" documentation and content was placed by commercial providers. In this example, the use of keywords such as "official" in the context of commercial providers placing such content in relation to public documents would be highly likely to indicate a false representation.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 50:

i) Do you consider the guidance to be sufficiently accessible, particularly for services with limited access to legal expertise?

Response: We agree.

ii) Please provide the underlying arguments and evidence that support your views.

Response: No additional comment to make.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Question 51:

i) What do you think of our assessment of what information is reasonably available and relevant to illegal content judgements?

Response: We agree with the broad areas covered by the proposals. We particularly welcome the proposal that information regarding complaints/incidents held by law enforcement should be considered as a source "reasonably available" information. However, we believe that due to the inconsistent interpretation of data privacy laws it will be important to consider guidance on how complaint/incident information can be shared with services by law enforcement to ensure such sharing is done in a timely and efficient manner. This will be particularly important in relation to online fraud due to the often dynamic and rapidly changing nature of the harmful content and so the reporting of such content needs to be timely.

ii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Volume 6: Information gathering and enforcement powers, and approach to supervision.

Information powers

Question 52:

i) Do you have any comments on our proposed approach to information gathering powers under the Online Safety Act?

Response: No additional comments.

ii) Please provide the underlying arguments and evidence that support your views.

Response: As above

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Response: No.

Enforcement powers

Question 53:

i) Do you have any comments on our draft Online Safety Enforcement Guidance?

Response: No additional comments.

ii) Please provide the underlying arguments and evidence that support your views.

Response: As above.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)

Annex 13: Impact Assessments

Question 54:

i) Do you agree that our proposals as set out in Chapter 16 (reporting and complaints), and Chapter 10 and Annex 6 (record keeping) are likely to have positive, or more positive impacts on opportunities to use Welsh and treating Welsh no less favourably than English?

Response: No comment to make.

ii) If you disagree, please explain why, including how you consider these proposals could be revised to have positive effects or more positive effects, or no adverse effects or fewer adverse effects on opportunities to use Welsh and treating Welsh no less favourably than English.

Response: As above.

iii) Is this response confidential? (if yes, please specify which part(s) are confidential)