

**BT home phone price hike exaggerates unfairness**

On a busy news day, last Friday, **BT** announced that its home phone prices will rise again on 3 April 2017, after they were last increased on 1 July 2016. We offer the following points on 2 aspects.

'Penalty Charge' rip-off (customers on the wrong plan)

The price hike applies strongly to the "Penalty Charges" imposed on calls to "ordinary numbers" made outside the terms of an inclusive "unlimited" call plan. These charges have increased, at a rate equivalent to annual inflation at 12-14%, to 21p per call and 12p per minute.

The **fair telecoms campaign** has long been pressing the point that, for most people, **the normal call charge for a normal call is 0p**. It is imperative to select the correct call plan, so as to avoid increasingly excessive penalty charges. The presentation of call plans often leads consumers into making the wrong selection, thereby increasing the "penalty charge" revenue.

The most extreme current case with **BT** relates to its "Home Phone Saver" product. This plan, which is available only to those **without BT Broadband** offers unlimited calls at any time, as well as other benefits including protection against line rental price increases for 12-24 months. The fee for this is just **£3.00 per month** (in addition to the current standard line rental).

With the "Penalty Charge" increasing to **21p per call plus 12p per minute**, a five-minute call (to any ordinary number before 7pm on weekdays) costs **81p**. One of these each week costs **£3.24 per month**, exceeding the cost of "Home Phone Saver". We understand that some people do not use their Home Phone to make calls, but one five-minute call per week is not excessive usage.

BT is happy to bill customers well in excess of £3 month for charges on normal calls, indeed customers with broadband who could get "Unlimited Anytime Calls" for £8.99 per month (£8.50 if they move quickly) will commonly be paying far more than this in call charges.

The **fair telecoms campaign** believes that consumers must take greater care and **Ofcom** should compel **BT** to reveal how far it is profiting from "penalty charges" incurred by unwise customers.

Premium rate rip-off (everyone paying for premium calls)

Nearly two years after the "[ukcalling](#)" project sought to bring greater clarity to the cost of calling non-geographic numbers, **BT** still seeks to undermine this by causing all Call Plan subscribers to meet the cost of calls to premium rate 0845 and 0870 numbers, by making them inclusive.

Calls to these numbers incur "Service Charges" (to the benefit of the called party and its telephone service provider) of up to **13p per minute**. As the biggest provider of 0845 and 0870 numbers to businesses, **BT** takes its share of this revenue when calls are originated on other networks.

As very rarely are these numbers used for the genuine provision of "premium" services and in many cases their use is outlawed, the **fair telecoms campaign** appeals to businesses to stop being "greedy and foolish" and to abandon use of 084 and 087 numbers. Despite our success with this, **BT** continues to compel its Call Plan subscribers to subsidise their use.

The **fair telecoms campaign** calls on **BT** to stop muddying the waters and undermining the long overdue steps toward clarity with non-geographic numbers, which **Ofcom** took in 2015. **0845 and 0870 are premium rate numbers - they have no place being bundled in with ordinary numbers.**

