



**FCA Consultation CP14/30 -  
Call Charges for ALL post-contract telephone contact**

The **fair telecoms campaign** is pleased to respond to **Q8** as posed in [this consultation](#):-

**Do you agree that all post-contract telephone calls to financial services firms should be charged at no more than a 'basic rate'?** - The simple answer is undoubtedly **"YES"**.

There are however a number of important points to make. The term 'basic rate' is redundant.

The most important point is that the charge in question is the **"Service Charge"** chosen by the financial services firm, by its selection of an appropriate telephone number. This is how the issue should now be understood, given that ["Clear Call Rates for Everyone"](#) will apply from 1 July 2015.

## Timing

The **fair telecoms campaign** lobbied the **FCA** furiously throughout 2013 in the hope that it would be ready to introduce this regulatory requirement in line with the same provision being applied to other businesses with effect from 13 June 2014.

Sadly, **Which?** took over this work for us with effect from September 2013, and waited until 7 January 2014 to write to the **FCA**. Finally on 14 April 2014 it was announced ["Financial Conduct Authority says time to end premium calls for consumers"](#). Only two months seemed relatively short notice for firms to change their numbers - although this would have been adequate.

But no, this was not the time! A consultation would follow **"later this year"**.

We cannot share the conclusion that this delay was a "victory". (See [Which? news release](#)).

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Implementation of the Consumer Contract Regulations (by no later than 13 June 2014) presented a problem for **BIS**, given that there was no ready equivalent for the term "basic rate" at that time. The situation will however become much clearer with effect from 1 July 2015 when **Ofcom** completes the implementation of "Clear Call Rates for Everyone".

Unless it is proposed that the requirements detailed in the draft "GEN7" are implemented prior to 1 July 2015, then they will need to be revised before implementation, so as to reflect the forthcoming provisions of the [National Telephone Numbering Plan](#). Once the implementation date for "Clear Call Rates for Everyone" had slipped past 13 June 2014, **BIS** had no choice but to try to reflect the present unclear situation in its Guidance on what was "basic rate" - the term used in the EU Directive. This guidance will be revised in due course. Because of its delay, and having no connection with the terms of an EU Directive, the **FCA** has no need to mirror this messy approach.

By embedding the definition of "basic rate" within the body of the regulations (and using current terminology only) the **FCA** has placed itself in the absurd position of having to revise the terms of its draft regulations either very shortly after, or more likely before, they come into effect.

## Requirement to declare Service Charge

A key feature of "Clear Call Rates for Everyone" is the need for Service Providers to declare the rate of Service Charge which applies on calls to 084, 087 and 09 numbers.

This requirement will have a statutory effect, by virtue of the "Premium Rate Services Condition" and the regulations enforced by **Phonpay Plus** in respect of 087 and 09 numbers.

A new regulation in respect of Call Charges provides an ideal opportunity for the **FCA** to add such a requirement where 084 numbers may be used. We hope that this opportunity may yet be taken.