



Mail on Sunday - 9 December 2018 (4 items)

See also online - [The callous 118 telephone trick that costs you HUNDREDS of pounds within seconds](#) + ...and watch out for the 'wangiri' ruse

90

Stream your TV favourites over Christmas - free Page 95

The Mail on Sunday DECEMBER 9 • 2018

DECEMBER 9 • 2018 The Mail on Sunday

91

Personal Finance
NATIONAL NEWSPAPER PERSONAL FINANCE SECTION OF THE YEAR

The callous 118 telephone trick that costs you HUNDREDS of pounds within seconds

The days of Wild West 118 are numbered

by Jeff Prestridge
PERSONAL FINANCE EDITOR

THROUGHOUT my life, I have been encouraged by friends to look forward, not backward. But I cannot prevent my mind from wandering back in time, usually through rose-tinted spectacles, to remember aspects of life that really were better than than they are now.

A time when there was a bank and post office on every high street, town centres bustled with activity at a weekend, there was milk on the doorstep in the morning and a smartly dressed postman delivered letters with a smile and regular as clockwork twice a day. Such a nostalgic moment coursed through my frame after reading Laura Shannon's latest excellent expose on the dreadful tricks scamsters are routinely pulling to fleece us when we use our telephones (see opposite).

Companies set up in theory to provide directory enquiry services but in practice designed to do little more than rob by flogging us to hang on an expensive premium rate line. Absolute daylight robbery.

After reading Laura's work, I could not help but hark back to the 1970s and 1980s when you could ring 192 and ask some kindly operator for a phone number you were desperate to get hold of.

All for free, courtesy of BT. No tricks, just a friendly service.

When BT started charging for its 192 service in the 1990s, it was met with dismay by customers although it still continued to take some 60 million 192 calls a year.

It was also inevitable that as a result - sooner rather than later - BT would lose its monopolistic control of the directory enquiry service.

That duly happened in the early 2000s when the directory enquires market was opened up to rampant competition. 192 was replaced by 118.

Today, competition in the 118 market remains intense, but the game has changed - where the 118 market was a mix of competition and effective regulation, will 118 providers to ramp up charges and look at new (dastardly) ways of generating income.

The result is that many 118

users, a majority of whom fall into the elderly category, are being ripped off.

For the record, people aged 65 and over are four times more likely to use a 118 number than those aged between 16 and 34.

They are also 'significantly' less likely to have internet access so are unable to search for a number better than they are now.

The 118 market has remembered the Wild West for a while - and it is primarily a result of there being too little regulatory intervention.

As a result, a majority of customers remain clueless about how much the services cost - indeed some of the provider's employees do not seem to know either.

Last week, when The Mail on Sunday contacted the operators of some of the most expensive lines, one said it charges £1 per call when actually it is nearer £16.

Another had no idea how much its 118 service cost. For the record, some enquiry services charge £15.98 per call plus £7.99 per minute.

As Laura's report highlights, such sky-high 118 charges are particularly wretched when a caller is tricked into paying for them.

Not before time the regulators - Ofcom and The Phone-Paid Services Authority - have noticed the financial harm being done to people using 118 numbers.

As a result, from next year no company will be able to take over an out-of-use landline number to plug a pricey 118 service.

Then, from April, the cost of all 118 services will be capped at £3.65 - including VAT - per 90 seconds.

Hopefully, this will drive away many unscrupulous businesses although no doubt some will design new ways of robbing callers.

Scandalously, The Number 118 - the company behind 118 118 - suggested the price cap should not be implemented for another three years.

Outrageous.

Maybe a new dawn awaits us - where the 118 market, driven by a mix of competition and effective regulation, will deliver a customer value for money.

Good cuckoo land, methinks.

jeffprestridge@bt.com



By Laura Shannon

STOP THE SCAMMERS

FAMILIES are being warned to avoid a sinister rip-off known as 'unused number squatting' that tricks them into dialling an expensive phone number.

The little-known scam relies on phone users making a sequence of dialling errors. But those caught end up being charged an average £50.

In some cases, charges amount to hundreds of pounds. It happens when disreputable directory enquiry providers 'bjack' out-of-use landline numbers and use them to play mind-leading adverts plugging services.

Banks of 01 and 02 numbers are held by communications providers and can be sold via middlemen on to 118 providers to use.

When a caller misdials a number - or rings one they believe is still active for a person or business they know - they hear a recorded message on one of these hijacked numbers telling them that it is 'out of service' and to call a different number instead. Those who do as directed are tricked into using a pricey 118 service.

One customer who thought she was calling optician Specsavers was greeted with a recorded message saying the number was out of service - and that she should call 118 023.

Believing this to be a message recorded by the high street optician, she called the premium rate number - hanging up after realising her mistake. She was charged £7 for a 22-second call.

She says: 'I was not advised of any charges when I listened to the message and was shocked to see the charge on my bill. I am extremely unhappy that people are getting away with scams like this.'

Another person was charged £25 for a call lasting less than six minutes. He had originally called a Northampton-based landline and was told to dial 118 023. When he rang and the operator found the number he was looking for, he was automatically connected.

This meant he was also charged the premium rate for the duration of the connected call - not just the initial contact with the 118 service.

A 62-year-old man who was recently discharged from hospital mistakenly dialled a number he believed was for an MOT centre based in Staffordshire. He was informed that the number was out of service and to call 118 023. Information about this

How firms profit from redirecting callers of wrong numbers to pricey services

number's premium rate was not supplied until 26 seconds into the recorded message, but the victim had already hung up.

As a result of this rip-off, the company behind the 118 number - PowerTel - was fined £200,000 by the Phonepaid Services Authority, which regulates premium rate services. The fine was levied because the service's cost was not clear, the tactic misleading, and the company had not renewed its registration with the regulator.

Back in March, a company known as 'Call The 118 113 Helpdesk' was also fined £425,000 for telling customers there was a fault on the landline they had phoned and to call premium rate number 118 520.

Complaints resolution service Resolver has heard from many people ripped off by 118 numbers.

Spokesman Martyr James says: 'It is a sad fact that we cannot trust businesses to be honest about the pricing of telephone calls.'

PROTECTION IS COMING

SINCE PowerTel's fine, the Phonepaid Services Authority has said it will ban companies from advertising directory enquiry services via 'unused number squatting'. Promotions advertising 118 numbers will only be allowed to exist on active numbers already in use for other legitimate purposes.

Providers must also reveal the cost of onward call connections to numbers that customers request, giving them time to consider and decline. These changes take effect from early next February. Com-

...AND WATCH OUT FOR THE 'WANGIRI' RUSE

ANOTHER common phone scam is the 'wangiri'. It originated in Japan where the word means 'one ring and cut'.

Fraudsters dial thousands of numbers at once and cut the phone call after one ring.

Curiosity means some recipients are tempted to return the call - often from international numbers - only for it to be a premium rate number where the scammer profits from the call.

Though mobile networks are getting better at screening out such calls, some scamsters evade detection. David Hickson, of the Fair

Telecoms Campaign, says: 'Our advice to consumers is clear - never make a telephone call unless you know who you are calling and what the cost will be. This also applies to ringing back the number of someone who called you.'

Use the internet to research an unknown number from a missed call. Consumers using

websites such as [www.callcheck.co.uk](#) often leave warnings about scam or nuisance numbers.

Though phone companies can earn a profit from these fraudulent tactics, it is a worldwide problem that all networks are working to tackle.

If you fall foul of the scam, it is worth contacting your provider to ask for a refund, if none is forthcoming or it does not respond after eight weeks, try Ombudsman Services, which settles disputes. Visit [ombudsman-services.org](#) or call 0300 440 1414. An alternative service is run by Citas. Visit [www.citas.co.uk](#) or call 0800 000 0000.

research showed around 450,000 people pay £2.4million more than they expect for directory enquiry services, leading to 'bill shock'.

There are 86 providers offering more than 200 directory enquiry service numbers beginning with prefix 118.

Nearly 200,000 people pay more than £20 just to find a number. Ofcom changes will be introduced next April.

David Hickson, of the Fair Telecoms Campaign, says: 'A major hope is that the price cap will drive some of the scammers away.'

He is also awaiting a final statement from the regulators on plans to tackle rip-off call connection services that trick people who search on the internet for numbers of well-established brands into making a premium rate call - when what they should be given is an 01, 02, 03 or free 080 number.

DIRECTORY LINES THAT RING UP A FORTUNE

Number	Provider	Cost for one minute
118 004	Telecom2	£15.98
118 900	Numbers Direct	£15.98
118 023	PowerTel	£6.98
118 118	The Number UK	£8.98
118 212	Maureen	£8.98
118 500	BT	£2.32
118 402	O2	£0.75

Does not include phone provider's own access charge. Source: BT.

to number spoofing, have you been targeted?

compensation services through to suspect financial products.

Cold-calls from pension scammers - offering a 'free pension review' - often result in people on the cusp of retirement losing every penny they saved during their working lives to a rotten investment deal.

May has also fallen foul of 'number spoofing' - where fraudsters using cheap technology add on the internet make a call that looks like it comes from another number. The number that flashes up on the recipient's mobile handset is one they use for their bank, making them more likely to comply with instructions to transfer money to a 'safe account'. The fraudster tells them they need to move money because

David Hickson