



The **fair telecoms campaign** has long been pressing the issue of the inequity and general impropriety caused by use of 0844 and 0845 numbers where there should not be a **Service Charge** imposed for services delivered or accessed by telephone. We urge public bodies to take advantage of the option of migration from 084 to the equivalent 034 number.

The forthcoming Ofcom provisions

Ofcom will shortly be announcing the detail of regulatory measures which will be put in force to implement the **“Unbundled Tariff”**, to cover 084, 087 and 09 numbers. It will also be confirming the measures being taken to make all calls to 080 numbers free to all callers, including those from mobile phones. Together these represent **“Simplifying Non-Geographic Numbers”**.

The **Unbundled Tariff** provisions will require users of 084 numbers to state the **“Service Charge”** (of between 2p and 7p per minute, according to type of number) which forms part of the cost incurred when calling them. Telephone service providers will be required to declare the level of **“Access Charge”** they add to give the total cost of the call. The **Access Charge** will be simplified to be a single rate per consumer tariff. This will make it more straightforward; currently it is seen to vary between -2p/0p per minute and up to 30p/40p per minute, within and between tariffs.

The choice presented - and options already taken

Facing these long-discussed Ofcom proposals, for which the detail regulatory measures will shortly be announced, public bodies have reacted, or failed to react. I give four important examples:

- ✓ **HMRC** has declared that it will be abandoning use of 0845 numbers “by the end of the summer”, switching to 03 numbers. (See [this item](#).)
- ✗ **DWP** has declared that it will be retaining 0845 numbers for enquiries. It therefore stands ready to declare a Service Charge of 2p per minute. (See [this item](#).)
- ? **Citizens Advice** has opposed the introduction of the **Unbundled Tariff** in response to **Ofcom** consultations, although confirmed that it will comply with regulatory provisions. Its chosen **Service Charge** levels are: 2p per minute for the **Consumer Advice Line**, 5/7p per minute for **Citizens Advice Bureaux**. One may question the funding of these allegedly “free” services.
- ✗ The **Department of Health** has failed to explicitly prohibit use of numbers which include a **Service Charge**, for access to NHS services. Directions to NHS bodies and the revised terms of GP contracts should have this effect. They are however drafted in a manner which has enabled those who oppose the principle of NHS services being free at the point of need to mislead NHS bodies and contractors in order to advance their cause. Some NHS bodies have been misled to the point where they promote a **“two tier NHS”**. **Department of Health** ministers have repeatedly refused to intervene to clarify the position. (See [this item](#).)

Campaigning

The **fair telecoms campaign** is keen to ensure that campaigning successes already achieved are carried forward to fulfilment in action. We believe that this will be the inevitable effect if a true and complete understanding is held and expressed by those engaged with the issues.

We urge members to be very careful in referring to what may be “free”. The three distinct positions achieved by the choice of a type of telephone number are explained overleaf.





Types of number - What is "free"?

- **084** (or 087 or 09) - the cost to all callers includes a **Service Charge** to the benefit of the person called. In a few most unusual cases, it is collected through Call Plan subscriptions. Under the **Unbundled Tariff** provisions, the **Service Charge** will have to be declared, and levied per call. It is generally used to cover the cost of the incoming line and associated facilities.
- **03** (or 01 or 02) - there is **no Service Charge**. All callers pay what is known as "**Geographic Rate**" - the distinction between "**local rate**" and "**national rate**" was removed in 2004! The overwhelming majority of callers incur no charge for such calls, as they are covered by the terms of their chosen inclusive Call Plan or Bundle. Where this applies to calls to 01 and 02 numbers it also applies to 03 numbers. In cases where callers pay for calls to 01 and 02 numbers, they invariably pay the same for calls to 03 numbers.
- **0800** (or 0808 or 0500) - these are free of any call charge from landlines, and in some specific cases from mobiles also. Under the terms of the **Simplifying Non-Geographic Numbers** provisions, they will become free to callers from all types of telephone service. It is important to understand that the full cost of call (including that for the caller's telephone company) is always met by the receiving party - at present it is only a "landline equivalent".

We are assured by leading telephone companies that the "**overwhelming majority**" of actual calls to **Geographic Rate** (01/02/03) numbers are indeed made within the terms of inclusive Call Plans or bundles. Landline users who choose a Call Plan that does not include calls during weekday daytime do so because they do not make calls at this time. "Out of Plan" calls to **Geographic Rate** numbers incur a sizeable "**penalty charge**". This rate must not be seen as being a "standard".

Simple "Pay Per Call" arrangements for mobiles are becoming rare; there are no longer any for landlines. Under these arrangements, the cost of calls to **Geographic Rate** numbers is invariably much less than that for calls to 084 numbers, because the latter include a **Service Charge**.

The cost of 0800 numbers

Offering a 0800 number is expensive. This cost will increase for all when the additional cost of all calls from mobile numbers has to be covered also. This is already being met by those (including DWP) who make special arrangements with the mobile providers to make them "free to caller".

It is important to understand that by using a 0800 number, one is picking up the cost of those calls which would incur no cost to the caller if made to a 01/02/03 number. In this (majority) case, the only winner is the telephone company; the choice of 0800 over 03 offers no benefit to the caller.

Principle commended

In cases where it is improper to impose any **Service Charge**, the **fair telecoms campaign** commends consideration of the following principle:

01/02/03 numbers should be used in all cases, except where it is imperative that callers incur no call charge, and the high cost of using 0800 numbers is justified.

We are very concerned that if bodies are urged to switch from 084 to 0800, the cost of 0800 may cause the move to be rejected. **We see 03 numbers as the best option, not a compromise.** The majority of callers incur no call charge when calling 03. If a **Geographic Rate** charge is paid, this normal third-party charge would generally be thought acceptable - a **Service Charge** is not.

