

I should like to make the following points about BT's insistence on demanding £18-00 pa from the customer for the privilege of paying a bill by cheque:

- (1) First of all, I do not believe it is ever appropriate for a company to make a specific charge or discount for a particular method of payment. If the company decides that some method(s) of payment are too costly for it to accept, then it should simply make it unavailable for everyone. According to OFCOM's rules of competition, the customer would, if necessary, exercise their right of choice and go elsewhere. If the company decided they would lose too many customers as a result, then they wouldn't make it unavailable in the first place. Either way, the cost of processing payments – apart from late payments and non payments – should be spread equally amongst all customers. I am impressed by the percentage of customers who agree with this point of view – even those who pay by direct debit and stand to gain as a result (see OFCOM research).
- (2) I wonder if BT have ever shown OFCOM the figures which prove that the cost of processing cheques etc. adds up to £18-00 pa per customer. I doubt it. I suspect this is just a way of recouping the costs of late payments and debt. I agree with OFCOM that these costs should be treated entirely separately – and if that is inconvenient for BT so be it. However, even if there is a marginal relative cost of processing non DD payments, I still believe that the customer should be able to pay by any method available without penalty.
- (3) Why do some people still prefer to pay by cheque? I suspect, like myself, they feel they have more control over their bills. A member of my family had a disagreement with BT over a contract cancellation. BT agreed eventually they were wrong. However, because they paid by DD, BT simply took £200-00 and it took 4 months to get it back. I wonder if the extra interest BT earn on this sort of overcharge is included in any figures made available to OFCOM. Again, I doubt it.
- (4) I understand the practice of surcharging customers who don't pay by DD is now widespread. This doesn't mean it's reasonable or fair just because it's common practice. I suspect that, for a long time, many customers hadn't a clue it was even happening and, therefore, this surcharge has been allowed to happen by stealth and by default. It is time for OFCOM to show its teeth and bring an end to this iniquitous charge.

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