

## ADDITIONAL CHARGES - CONSULTATION

I do not pay ANY bill by direct debit (DD), not because I want to be difficult but because my personal and financial details are private, important and, in the wrong hands, potentially valuable. Identity theft is a large and growing problem and I do not wish to be a victim of it. There have recently been massive data losses from supposedly secure sources and well-documented instances of corrupt employees trying to profit by selling customers' information from their employers' databases. The consequences for an individual can be serious, long-term and hard to reverse. Also the DD system may work, by and large, but it does go wrong. I pay my phone bill almost on the day it arrives so there is no reason for BT to complain or want better. The penalty for cash/cheque makes us second class customers, the presumption being that we are more likely to cause problems than DD customers. However, if there isn't money in a customers account it matters not that a bill is set up to be paid by DD.

I can see why BT might argue the case for a monthly charge for people who pay monthly but it takes a third less effort and costs a third less to process a payment that is paid quarterly. Why, then, do they insist on levying three monthly fees on people like me who pay quarterly without delay? The fee should only be per payment and thus they are imposing a punishment on non-DD customers. BT can't plead poverty because it always takes the line rental in advance.

Ofcom is of the view that the BT non-DD levy should not be used for chasing bad debts. However, I believe that is an element of its function. In part of his email to me of 26.2.08 (copy supplied to Ofcom), Mark Irvine of BT says, "The payment processing fee has been introduced because some methods of payment are costly to process. But it's not just about the cost of taking the payments; following up when customers forget to pay on time does involve spending time and money". (The underlining is mine).

I have always found it hard believe BT set up a whole new company (BT Payment Services Ltd or BTPS) within their group in order to process non-DD payments. What extraordinary, costly and unnecessary lengths to go to in order to force people onto DD. Now, to add even more pressure, I am told to form a separate contractual relationship with BTPS. If I can still pay my bills by non-direct debit methods, what is the point?

I have been with BT for about 25 years so I must already have a contract with them. Otherwise they would not be providing telephony services to me. Why, then, must I sign up to a new one? I haven't done so.

BT must realise that there are people, like me, who do not have home access to the Internet, thus taking advantage of paperless billing (PB) is not practical. Also, as PB is only being made available to those who opt for DD, it is restricted and this is unfair. It is of arguable benefit to the environment (none if the customer prints the bill), a small monetary saving for the customer but most certainly of benefit to BT, saving time, paper and postage. DD and PB have no connection, thus the latter should be available without restriction.

BT is the only company I have ever used to supply my fixed-line service. However, all these proposals, combined with my recent experience of poor customer service, have changed my perception of BT and I now feel I am being treated like a pariah. In my view BT has come to mean Bullying Tactics.

This information is supplied to Ofcom by BT customer Richard Mott (Ofcom reference)