



Dialling at a premium

Calling some customer-service helplines, not to mention premium-rate numbers, can leave you frustrated and out of pocket. We explain what these numbers are and how to avoid them

They are the numbers we often dial to speak to customer support or pay a bill, but how much do we know about 0845 and 0870 numbers and the costs involved in calling them? Our survey (see 'Our research', opposite) reveals huge confusion about the cost of 0870 calls, and our post-bag shows that you don't like waiting on customer-service lines while paying for the privilege. And when it comes to premium-rate 09 numbers, which are often used to call TV competitions and even some customer helplines, the odds of knowing how much you're paying are as slim as your chances of winning a phoneline quiz.

Companies commonly use 0845, 0844 and the higher-charging 0870 and 0871 numbers for their customer-support lines. These numbers are usually more expensive than calls to geographic numbers (see 'Jargon buster', below) and are usually excluded from any deals, such as inclusive minutes, you may have with your phone company. The companies that use them can share the revenue from each call with the phone service provider – BT or Orange, for example. So the longer you stay on the line, the more the companies earn.

To get an idea of how much more money you have to pay to dial these numbers, a ten-minute daytime call from a BT

Jargon buster

A handy guide to telephone codes

CONNECTION CHARGES

Apart from the cost of the call, you may also have to add on a connection or minimum call charge for every chargeable call – on landlines that's 3p with BT and TalkTalk, and 6p with Virgin Media.

GEOGRAPHIC/ NON-GEOGRAPHIC

A geographic number, such as 0161, tells you which part of the country you're dialling. Non-geographic numbers, such as 0845 or 0870, don't.

INCLUSIVE MINUTES

Phone packages won't charge for a certain number of inclusive minutes to 01, 02 and, later in the year, the new 03 numbers. Most of these packages exclude calls to 0871 and 09. 0870 numbers may be included from next year.

REVENUE SHARING

Organisations can share the charge made for a call to 0844, 0845, 0870 and 0871 numbers with the network provider – this share can be up to 4p a minute at peak rate.

01/02

Known also as geographic numbers, these two codes are used for everyday local and national calls and can be included in any free or discounted minutes on your tariff; otherwise peak-time calls typically cost 1p to 5p a minute for landlines, 10p to 19p for mobiles. All other codes listed here are non-geographic numbers.

03

A new non-geographic number which Ofcom will be introducing later this year (see 'The future for telephone codes', p15). 03 numbers won't be revenue sharing and the cost of a call will be the same as national calls to 01 or 02.

07

An 07 number followed by any digit except 0 is usually a mobile number. 070 codes act as a forwarding service – known as personal numbers, they divert calls to the owner's location. They can cost up to 50p a minute and don't allow revenue sharing.

0800

Calls to 0800 numbers, otherwise known as freephone, are free from landlines but typically cost 10p to 15p a minute on mobiles.

0845/0844

Formerly known as local rate numbers, these codes are not included in any free or discounted minutes. They now usually cost more than geographic numbers and allow revenue sharing. 0845 peak calls typically cost 3p to 5p for landlines and 10p to 15p for mobiles. 0844 is likely to cost more, up to 5p a minute on a BT landline and up to 25p on some mobile networks.

CALLING FOR HELP

John Stewart 54, retired

Trying to get his computer fixed cost Which? member John Stewart far more than just time and energy. When John had a problem with his PC he contacted the manufacturer, Evesham Technology. At first John communicated by email but he found it hard to follow the instructions he was given, so dialled Evesham's 0870 technical support number. As his landline phone wasn't near his computer, John used his O2 mobile.

Over the course of two weeks he ended up making ten calls at a cost of £67 (around 30p a minute) in total, often waiting more than ten minutes to get through to a human being.

'Evesham refused to send out an engineer and insisted the problem could be sorted out over the phone,' said John. 'I think using the 0870 number is a rip-off. I paid £1,600 for this



PC and I feel it should be more willing to resolve an issue at its own expense, not mine.'

Evesham told us that it aims to answer calls within three minutes, doesn't make a profit from the line and didn't send out engineers 'if the customer has been the author of their own situation'. It used to give freephone support but said this was dropped in an effort to keep its computers' prices competitive.

landline could cost about 80p to an 0870 number. If you spent ten minutes calling an geographic number from a BT landline, the cost could be as little as 3p. Companies like using revenue-sharing numbers – not just

for profit, but also because they get a single non-geographic number that remains the same even if they relocate offices.

However, it's galling when customers have to call a revenue-sharing number to complain about a problem of a company's own making. And some banks, including Alliance & Leicester and Lloyds TSB, even use 0870 lines to provide advice to customers with debt problems.

According to premium-rate regulator Ictis, consumers spend more than £300 million a year dialling 0871. However, it's hard to know how much individual firms, or the telephone companies, make from revenue-sharing numbers. A clue to the size of income comes from the DVLA: it received almost £2.5m from its 0870 services last year. And the Department for Work and Pensions disclosed that it made £268,000 last year from 0845 hotlines

Consumers spend more than £300 million a year dialling 0871 numbers

Our research

In March 2007, we called the customer-service departments of eight broadband and five energy companies, and five government agencies, which use revenue-sharing numbers. We rang each department ten times during the weekday lunchtime period, when the public is most likely to be trying to get through. To be as fair as possible, we didn't call on a Monday when there is likely to be a greater number of calls. We timed how long we were on the phone before we got through to a person. We also asked 1,003 members of the public how much they thought 01, 02, 0800, 0870 and 09 numbers cost from landlines and mobiles.

0870/0871

Calls using 0870 and 0871 codes now cost more than geographic

numbers, although they were initially fixed to national rates. They allow revenue sharing and, at present, aren't included in free or discounted minutes (see 'The future for telephone codes', p15, for more about plans for them). Landline calls on 0870 cost up to 5p to 10p at peak times and 10p to 19p on mobiles. The costs are higher for 0871 – up to 10p for landlines and can reach 35p a minute on mobile networks.

09

These premium-rate services, often used for TV phone-in

quizzes, are the most expensive to call. The most you pay from a BT landline is £1.50 a minute or a call. Mobile charges can exceed this – the charge can reach £2.50.

to advise those on low incomes about benefits and winter fuel payments.

The only private business we could find that was willing to tell us how much it received from revenue-sharing lines was Lloyds TSB. The bank said it earned 1p for every minute its customers stayed on the line during the daytime, but it stressed the income was 'not profit' as it went back into financing customer services.

Putting companies to the test

To find out how long customers are kept on hold when calling customer-service lines that use revenue-sharing numbers, we selected a range of the largest broadband providers and energy companies and telephoned the departments used for technical support or querying a bill. We also rang government agencies such as the DVLA, Passport Office and Consumer Direct.

Of the businesses we called, the energy companies – which use 0845 numbers – had the longest waiting times, with an average of three and a half minutes to query a bill. Npower kept our researchers waiting a numbing seven minutes on average – which would cost 24p from a BT landline but could cost up to £1.05 (15p a minute) on a mobile phone. EDF Energy and Powergen, however, should be singled out for praise, as both companies use 0800 numbers – which are free from a landline.

When calling the broadband providers we were, on average, kept a minute and a half on hold. TalkTalk and Virgin Media kept our researchers on hold the longest, at just over two and a half minutes on average. The longest hold time for a call to TalkTalk was four and a half minutes; as its calls are to an 0871 number, costing 10p a minute, you would have spent more than 40p before talking to anyone. One caller to Virgin Media's 0845 number waited more than ten minutes – working out at around 37p from a BT landline. But it is free to call if Virgin Media is also your home phone provider. Best Buy Global performed well; on average we got through to a person within 20 seconds on its 0844 number.

The government agencies we called performed slightly better, with an average hold time of just under a minute and a half. But the Passport Office's 0870 number had an

www.saynoto0870.com lists alternatives to 0870 numbers

average wait of just under three minutes, so it would cost about 24p to find out about filling in an application form. The average wait for asking Consumer Direct about consumer issues on 0845 was the shortest for any line we called, at 36 seconds.

Public bodies that use 0870 have been advised by the Central Office of Information to make an alternative geographic number available and to make it easy for people to find. When we asked members of the public if they thought government bodies should provide a freephone number for queries, 89 per cent said yes.

Beat revenue-sharing numbers

There are ways to get around having to dial revenue-sharing numbers. For instance, the website www.saynoto0870.com lists alternative geographic numbers for many companies. You should also



CALLING FOR HELP

Henry Wilkie 32, call-centre adviser

Which? member Henry Wilkie thought he would try his luck on an ITV late-night quiz phone-in, but ended up unsuccessful and with a £500 phone bill.

The contest, Quizmania, asked viewers to name various forms of transport for a chance of winning £500. 'I thought I would have a go as it looked quite easy,' said Henry.

The cost of the premium-rate call was stated as 60p from a BT landline. Henry was calling from a mobile and guessed it would cost about 75p. He budgeted for £200 worth of calls and rang 250 times. Most calls lasted seconds and he got through to give an answer only three times, each one unsuccessful. The top-prize answer on the list turned out to be 'tankette'.

When his mobile bill arrived, Henry realised

each call had actually cost £1.50. Henry said: 'The show hadn't explained properly how much it cost to call from a mobile. If I'd known it would cost twice as much as from a BT landline, I wouldn't have called as much as I did.'

ITV said: 'We're committed to giving viewers as much information about costs as we can within the limits of what is publicly available.'

look out for a 'calling from overseas' number, as this will be a geographic, rather than a revenue-sharing, number. Another alternative is to use an override provider, such as www.18185.co.uk, which lets you add a prefix number to get a cheaper rate.

Which? member Sami Joseph found another way to get around calling 0870. When he needed to contact a company's customer-services department, he realised that on his phone package it would be cheaper for him to call the customer-service number in Ireland. It used a geographic number and Sami's phone package lets him make cheap overseas calls. Sami said: 'It detected that the call came from the UK and directed me to the rip-off telephone number, but I overcame this chicanery by redialling and withholding my number!'

Call-cost confusion

We asked members of the public whether they knew what they were paying when they dialled 01, 02, 0800, 0870 and 09 premium-rate numbers, and it would seem that many are confused. Most answered incorrectly or didn't know the cost of a call from their landline or mobile phone to 0870 numbers during peak hours.

The most easily recognised dialling code appears to be 0800. Two thirds were right to think this is always free from a landline – however, that still left a sizeable number who didn't know. About six in ten realised that there's usually a charge for 0800 calls from a mobile phone, but 12 per cent

PREMIUM-RATE NUMBERS

We put 09 numbers, commonly used for TV quiz shows and phone-ins, under the microscope

Premium-rate 09 numbers are unlike other telephone numbers because their rates vary widely. They are also the most expensive numbers to call (up to £1.50 a minute or call from a BT landline) but many aren't aware of this. Little more than a quarter of the 1,003 people we polled knew.

It's hardly surprising so many people got it wrong, as finding out what you will pay to call 09 isn't easy. The most common way companies publicise the cost is by saying what it will cost from a BT landline and adding small print saying that 'other

network charges may be higher'. In fact, it's almost certain that you'll end up paying more if you're on a different network.

Hanging on the telephone

TV quiz phone-ins and voting polls are hugely popular – in our survey, one in five people told us they had called a TV premium-rate number in the last year. Yet hardly a week goes by without another revelation about them. And what's clear is that these highly lucrative quizzes – worth £100m last year to ITV alone – are costing some members

of the public, including Henry Wilkie, above, far more than they realise.

The true cost of calls

However, there doesn't seem to be a good reason why all tariff charges couldn't be given for TV shows. For example, viewers could get a full list by pressing the red interactive button if they have digital television or access information online. In April, premium-rate regulator Icstis issued new rules for TV quiz shows, which included giving warnings to callers after every

£10 spent. But this doesn't go far enough, as it still assumes you are calling from a BT landline.

George Kidd, Director of Icstis, shares our concerns about the lack of clarity for TV quiz show call costs: 'It's an increasingly serious issue. For service providers just to say it's too complicated is not enough. Giving people what the call actually costs should not be beyond the wit of man.' We agree and hope that Icstis ensures TV quiz shows provide viewers with clear information about costs across all tariffs.

The way we were

In December 1958, the Queen made the UK's first direct-dialled, long-distance call without the need of an operator. Her Majesty made a two-minute call to Edinburgh from the Bristol Central Exchange at a cost of 1s 10d (9p).



thought these numbers were always free from mobiles – which would leave them with a shock when they saw their bill.

The future for telephone codes

Ofcom is introducing yet another code: this 03 number will cost the same price as a geographic call, will be included in inclusive minutes and won't be revenue sharing. Ofcom has also announced that from next year 0870 numbers will cost the same as a national call or will have to make a pre-announcement about the rate if the company wants to charge more – 0870 will also no longer be revenue sharing. There are no plans to remove revenue sharing from 0845 numbers, as many internet service providers use them for pay-as-you-go dial-up services.

The Central Office of Information and Ofcom recommend that public bodies avoid using 0870 numbers and switch to the new 03 code. The Passport Office told us it will be switching to 03 in the autumn, but neither the DVLA nor TV Licensing, which both use 0870, has made any decision. None of the energy companies in our study has decided whether to switch to 03, but Scottish and Southern Energy is switching to 0800 for some customers.

We want companies and government agencies that use 0870 to adopt the cheaper 03 code and hope they don't switch to 0845 or 0871 numbers, which will remain revenue sharing. At Which? we publish our 01 geographic number alongside our 0845 number (we don't receive any revenue from it, but for a small minority of people it's cheaper than a geographic number) – this would also be a good alternative. However, without a well-publicised campaign from Ofcom, the new 03 code is only going to add to the existing confusion our research revealed among the public.

Buying a line

We find out how easy it is to set up an 09 premium-rate number

Premium-rate numbers are a billion-pound industry and they often get a bad name from companies that breach regulations. Premium-line service providers racked up £4.5million in fines in 2005/06 and £1.5million in 2006/07 for failing to comply with the code of practice of Icstis, the premium-rate watchdog.

It's fairly simple to own a premium-rate number. A quick search on the internet reveals plenty of companies selling ready-made services with pre-recorded content. You can also find private sellers on online auction website eBay – where we paid £320 for four lines

offering live tarot readings and psychic advice and recorded adult lines.

Icstis told us its rules had not been breached by the sale, but we have concerns about how closely the regulator can monitor the way these services are handled by their owners. When we bought the lines, there were no questions asked about who we were, or even how old we were, and we only had to give our bank account details so that our share of any

revenue could be paid in.

We didn't earn any money from the lines we purchased and have now deactivated them.



SHARE YOUR EXPERIENCES

Have you spent far too much time and money ringing an 0870 customer-service line? Do you think it's fair that companies earn money from these numbers? Let us know by emailing letters@which.co.uk or write to us at **Which?, PO Box 44, Hertford X SG14 1SH.**

Checklist

If you're disputing a bill run up after calling revenue-sharing or premium-rate numbers, here's what to do

■ **Money back** Provided you've been calling because a product has a fault or the company concerned hasn't fulfilled its side of a contract, ask the company to refund the cost of any calls you've made. Also contact your phone company and request that it suspend the disputed part of your bill until you can sort out the problem.

■ **08 disputes** Ofcom handles problems with calls to 08 numbers but does not investigate individual consumer complaints – it may investigate a company if it gets enough complaints. Call 020 7981 3040 or go to www.ofcom.org.uk/complain/landline/service/ ignored and fill in an online form.

■ **Premium-rate problem** Icstis is the regulator for 09 numbers, including premium-rate text messages – it will also regulate 0871 numbers from 2008. Icstis handles complaints about the lack of call-cost information, misleading claims, offensive content and prolonged calls. Call 0800 500212 or write to Freepost WC5468, London SE1 2BR, or go to the www.icstis.org.uk website and use the online complaint form.

■ **Phone bill bother** All telecom companies must belong to an alternative dispute resolution scheme – go to that only if you've had no success with a formal complaint to your phone company and 12 weeks have passed, or if the phone company has said it won't do anything else.

■ **Prevention** You can stop any premium-rate service being used on your computer or phone by asking your phone company to block 09 numbers.