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Dear Cicra,

This is my submission to your review of billing practises for fixed line telephony services.

My first general remark is that over a period of several years Cable + Wireless has incrementally made it harder and harder to pay your bill for fixed line services by any method other than direct debit. I am convinced that this has been a deliberate strategy to coerce all subscribers into paying by direct debit.

I have no issue with C+W encouraging their customers to use direct debit if that is the most convenient payment method for them. I don't even object to a financial incentive so long as that inducement reflects the genuine difference in administration costs between direct debit and other payment methods. I do however object strongly to being bullied into agreeing to direct debit. In fact [illogical though it may be] such tactics tend to make me dig my heels in and become more determined not to agree to direct debit.

Let me set out the ways in which I have felt coerced towards direct debit by successive changes in C+W's billing methods.

1. For donkey's years I paid my bill quarterly without once being a late payer. My monthly phone bill is about £15 so my quarterly bill [if still allowed to pay this way] would be about £45. Hardly a huge exposure to risk or a big impact on cash flow for C+W. However if they are really so scared that I might default I would even be willing to put down a deposit in order to continue to

enjoy the convenience of quarterly billing. The monthly system is a particular pain if you need to go away and are worried about missing a payment. You need to call them up before leaving the island and ask for your bill early. This is particularly true because they have fallen into the habit of giving very short periods for payment which is my next point.

2. This summer I had a couple of bills from C+W which fell on to my doormat and which gave, respectively, a week and eight days to pay before incurring late payment charges. This is patently unreasonable. This is particularly true if away for a few days and finding the bills on your return. What particularly annoyed me is that this reduction in payment period was accompanied by a renewed drive to get all subscribers to agree to direct debits. It was clearly a big stick intended to drive those who hadn't yet swapped to this payment method to agree to do so. I did complain directly to C+W over this practise and to be fair in the last couple of months the payment periods have extended again. Whether this is in response to complaints like mine or because they knew your review was forthcoming I have no idea.
3. When C+W decided to go for monthly billing I changed to paying by debit card. I did this over the phone using their automated system. I stopped when they recently brought in a wholly unreasonable surcharge for paying by debit card. I seem to recall that it was £1.50 – about 10% on my bill and £18 a year if levied each month. My understanding is that the cost of processing debit card payments is pence and a fraction of that for credit card payments. Yet C+W brought in a uniform surcharge for using either sort of card. How is this reasonable? Instead I now either

pay by cheque or take cash into their office both of which must cost more in administration. I would not object to a modest surcharge for using my debit card which reflected the genuine cost to C+W. In fact I suspect it would cost no more than the stamp to post my monthly cheque to them.

In conclusion please do not be fobbed off by the line that these issues are minor “because the vast majority of our customers choose to pay by direct debit”. Of course they do because they have been corralled into doing so by tactics which only the most stubborn would resist. This does not make those tactics acceptable. Please lay down some clear guidelines on how bills for fixed line services can be levied. Perhaps it is also time for some competition in the provision of fixed line services.