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<b>REPORT TO:</b>	<b>FULL COUNCIL</b>	<b>AGENDA ITEM:</b>
<b>DATE OF MEETING:</b>	<b>11<sup>TH</sup> AUGUST 2005</b>	<b>CATEGORY:</b>
<b>REPORT FROM:</b>	<b>DEPUTY CHIEF EXECUTIVE</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>PETER WOOLRICH (EXT. 5726)</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>PROPOSED BT PAYPHONE CHANGES - CONSULTATION</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM14</b>

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## **1.0 Recommendations**

1.2 It is recommended that:

- Member's views on the proposed payphone changes be communicated to British Telecom.

## **2.0 Purpose of Report**

2.1 To respond to and comment on British Telecom's (BT's) proposals to remove or amend payphone usage in parts of the District.

## **3.0 Detail**

3.4 BT has an obligation to provide access to public payphones to meet the needs of customers. However, the use of alternative methods of communication has grown with the result that the use of public payphones continues to decline. BT wishes to continue to work with the Council to re-align public payphone provision more closely to existing demand and is now consulting the council on a list of proposed modifications within the District.

3.5 The increase in mobile phone ownership coupled with the fact that nearly 99% of UK homes have a phone at home has meant that the number of calls from Payphones has halved in the last four years. BT indicate that two thirds of the public payphones do not now cover their costs and that they have only managed to keep the business viable by careful management and new initiatives focussed on growing new revenue schemes (kiosk advertising and internet enabled payphones).

- 3.6 Ofcom (The Office of Communications) is currently undertaking a Review of Universal Service and BT, as part of that consultation exercise, has requested the removal of the obligation to provide cash payment facilities at all public phone payphones. In practice this would mean that the payphone would retain all its ability to make emergency calls, operator controlled, reverse charge credit card and Chargecard calls but not cash payment. BT's argument is based on the premise that there may be a clear demand for a payphone (for emergency services usually) but not necessary with the ability to pay for calls with cash. As providing cash payment facilities accounts for the bulk of the cost of running the payphone, which together with the associated theft related vandalism, BT wish to be allowed to remove this facility with the agreement of the relevant local bodies.
- 3.4 There are currently 71 street based payphones in South Derbyshire. BT indicates that 2 (located at the junction of Lincoln Way/Burton Road, and Woods Lane/Burton Road) are little used and are therefore proposed for removal. A further 14 are identified as having very low use but which may be needed for community use and are therefore proposed for conversion to cashless payment. (these are listed in the attached annexe). **These actions would only occur should the Ofcom review remove the present obligation for BT to provide cash payment facilities.**
- 3.5 Any comments or objections need to be lodged with BT prior to 15th August 2005 supported by appropriate reasons.
- 3.6 BT also advise that there is potential, with local authority support and funding, to upgrade payphones to broadband enabled multimedia kiosks, not only retaining the voice service but also offering internet access and e-government services. Whilst an interesting idea to extend service choice, the cost presently averages some £4,000 per kiosk.

#### **4.0 Financial Implications**

- 4.2 There are no resource implications for the Council arising from the BT review.

#### **5.0 Conclusions**

- 5.1 BT is consulting the Council on proposals to remove two payphone kiosks and to change 14 others to cashless operation. Objections, giving reasoned justification, have to be with BT by 15th August. Members view's are requested.