



Mr.J.Relph
Clerk to Litcham Parish Council
Wytchwood
Rectory Meadow
Litcham
PE32 2NR

BT Payphones
PP 06A21
Delta Point
35 Wellesley Road
Croydon
CR9 2YZ

31st May 2005

TIME SENSITIVE - 42 Day Consultation period end date: 3rd August 2005

Dear Mr.Relph,

BT's proposals to re-align payphone provision to meet consumer demand.

BT has an obligation to provide access to public payphones to meet the needs of consumers, but it is a sad fact that consumers are choosing other methods of communication over payphones and as a result use of public street payphones continues to decline. BT wishes to continue to work with your council to re-align public payphone provision more closely to the demand that now exists. This letter is part of the formal consultation process regarding BT's current programme of proposed public payphone removals.

The increase in mobile phone ownership has led to a complete culture change in communication - the number of calls made from BT payphones has more than halved in the last four years. Ninety nine per cent of UK homes now have a phone at home and 85 per cent have a mobile phone¹. There are 66,000 public payphones in Great Britain and two thirds of these no longer cover their costs. Striking a balance between growing commercial pressures and providing an effective payphone service is vital. BT has managed to keep its payphone business viable by careful management of costs and the introduction of new initiatives focused on growing new revenue streams. Advertising on kiosks and internet enabled payphones are examples of our success in this regard.

As you may be aware, Ofcom (The Office of Communications) is currently undertaking a Review of Universal Service. The Universal Service Obligations include the requirement to offer access to public payphones to meet reasonable consumer need and define the consultation process that must be followed prior to the removal of a public payphone. The conclusions from this review are unlikely to be published until late in 2005. Faced with falling consumer demand for public payphone service, it would be unrealistic for BT to halt all consultation on removal proposals pending the review outcome and as a result our consultation programme is continuing under the existing regulatory regime.

We have already worked very successfully with councils throughout the UK regarding the first stages of our public payphone rationalisation programme and feedback from this has been provided to Ofcom as part of the Universal Service Review. One area which we hope will be addressed through this review is removal of the obligation to provide cash payment facilities at all public payphones. Our past consultation with local bodies has clearly identified demand for access to a