

# Top Tips on Identifying Hidden Call Charges

An insider's view on Telecom Charges from voluntary sector's  
Trusted Experts Class Networks



Trying to find the cheapest price for your telephony? Here are some insider tips on how to identify the hidden costs and penalties lurking beneath those headline grabbing prices.

You've been quoted very attractive monthly line rental and pence per minute call charges but you need to ensure you always receive answers to the following questions to fully understand what you will be charged.

## CALL RATES

### What is the Call Connection Charge?

A charge for connecting a call which is always added to the pence per minute charge.

Many suppliers apply different call connection or set-up charges typically between 3p and 15p depending on where and what kind of phone numbers you're calling. Make sure you have a full list of the charges for calling different numbers – and that it covers all specified time frames throughout the day, i.e. peak, standard.

Calls to Directory Enquiry numbers can vary enormously – especially those made to well-advertised national services. Make sure you are aware of these costs as heavy users of these services can see their phone bills increase by anything up to 50%.

### What is the Minimum Call Duration?

Similar to a Minimum Call charge but instead of being described as a monetary amount, it is defined in duration e.g. a 1 minute minimum call charge.

At face value, a 1 minute call charge doesn't sound steep but if you make lots of short calls, for example, disconnecting when the call goes to voicemail, you will still be charged the 1 minute minimum despite the call only lasting, say 2 or 3 seconds. Add all of these calls up over a month and you will be charged for a lot of minutes you've never used.

### **What is Call Duration Rounding?**

Rounding call durations to the next duration increment e.g. If calls are charged in 1 minute increments, a 61 second call will cost you the price of a 2 minute call.

Rather than round up to the next second, suppliers will often round up to the next minute and you will be charged in full for the rounded-up duration. (Also see Rounding Charges).

#### **Rounding Charge**

When applied, this can round up the price of every call to the next penny. So, if you're quoted 0.8p per minute for a call type then you will actually be charged 1p for a 1 minute call.

Rounding charges are often applied with other billing policies too so watch out for call rates that are quoted in fractions of a penny as you're unlikely to benefit from the quoted rate.

Whilst the billing policies outlined may not appear overly excessive for an individual call they can have a cumulative and significant impact on your bill. In fact, you could be paying twice as much for your calls compared to your original quote, particularly when multiple pricing and billing policies are applied.

## **LINE RENTAL**

### **Management Charge**

An additional charge to the line rental to provide support.

Not to be confused with a Service Level Care charge, some suppliers may add a monthly fee to cover the fact they make less from you on their billing. As always, when you calculate your average monthly costs, make sure you take into account the management charge to get a true reflection of what you're paying.



### **Service Care Level Charge**

A separate charge to the line rental to guarantee fault repair times.

Every business telephone line on the BT Network includes a standard care level which is a commitment to fix a fault within a specified time frame. Some service providers present this as a separate charge but don't state this on their quote to give the appearance of a lower monthly charge for the line rental albeit you will be charged for both items.

### **Fraud Monitoring Charge**

A separate charge to the line rental charge to protect fraudulent use.

Telephone fraud is on the increase with organisations falling victim to criminals who hack into their telephone system and run up huge call charges. Many suppliers now provide a fraud monitoring system to detect unusual or

excessive call usage to alert customers of irregular activity. This can often be presented as a separate compulsory charge on your telephone bill and be applied to every line but may not have appeared on your quote, thus giving the appearance of a lower monthly line rental charge.

Whether or not you sign up for this, make sure you understand what it covers and how much you are paying monthly for the service.

### **Billing Charge**

A charge for sending you a bill.

Most suppliers allow you to choose between a paper or online bill – with online billing free of charge and a small fee levied to cover the paper and postage costs for paper billing. If you elect to go for a paper version, make sure you understand the charging implications for this especially if you have multiple sites and bills.

## **CONTRACT TERMS**

### **Penalty Cancellation Charges**

If you need to cancel a line during the contract you could be charged for the remaining term of the contract.

Often the cancellation charges are, if not hidden, then buried within the detail of the terms and conditions. Can you reasonably be expected to be familiar with all the terms and conditions? Ask up front what the early termination charges are and check if there is also a minimum contract period, e.g. 3 months.

### **Automatic Renewal**

Your contract can automatically renew for the same initial period unless you have given notice in the pre-determined notice period before the contract end date.

Automatic renewals, otherwise known as a rolling contract or a CPA (Continuous Payment Authority) are widely used by telecom suppliers – customers are automatically rolled into the next term of a telephony contract, usually another year. Whilst the Office of Fair Trading has warned companies (not just in Telecoms) about their use – they are still widely used.

Check the terms of your contract and ask up front about contract renewal so that you're well aware of when your next contract period comes into force. (See Penalty Cancellation Charges).

### **Minimum spend commitment**

Your contract may state minimum contracts spend and if you haven't achieved this during the term you will be charged the difference.

Can also be listed as a committed call spend - be aware of the fact they can be variable across contracts and time periods, e.g. one amount in the first year of a contract and another amount in the second year of a contract.

They may also differ depending upon the contract – so don't assume you're covered by an existing set of terms when taking out a new contract.

## **CONCLUSION**

The policies can have a cumulative and significant impact on your bill. In fact, you could be paying twice as much for your calls compared to your original quote, particularly when multiple pricing and billing policies are applied. So, when your telephony contract is due for renewal, why don't you give us a call on 0800 160 1920 or email [contact@classnetworks.com](mailto:contact@classnetworks.com) and see how we can help reduce your bills.