

BT Payphone Closures

Lead Officer: Neil White, Scrutiny Officer
Report Author: Kim Kinsella, Project Assistant,

Recommendation: that the Committee agrees that:

(A) the process for responding to the proposal by British Telecom (BT) to close 25 public payphones in Copeland should be as set out in this report, and

(B) the draft first notification as set out in Appendix “A” be approved for publication.

BACKGROUND

On the 8th June, British Telecom (BT) started a consultation period regarding a proposal to re-align payphone provision to meet consumer demand. BT states that this is due to changing consumer pattern with a drastic increase of Mobile Phone ownership, which has resulted in the number of calls being made from BT payphones be reduced by half. 99% of UK homes now have a home phone, and 90% have a Mobile Phone. Currently, there are 61, 792 payphones in Great Britain and 60% of these no longer cover their costs.

PROPOSALS

BT proposes to remove 25 public payphones within the Copeland District. These are in the following locations:

- Ulpha
- Monk Moors, Eskmeals
- Broad Oak, Ravenglass
- Corney
- Silecroft (two locations)
- The Green, Millom
- The Hill, Millom
- Screel View, Whitehaven
- Overend Road, Whitehaven
- The Square, Parton
- Cliff Road, Whitehaven
- Holmrook
- Wellington, Gosforth
- Main Street, Frizington
- Moor Row
- Parkside Road, Cleator Moor
- Bankend View, Bigrigg
- Dent View, Egremont
- Hinnings Road, Distington
- Haile, Egremont
- Lamplugh
- Cross Gates Lamplugh
- Ennerdale
- Winder, Frizington

NOTICE OF REMOVAL

When BT has decided which Payphone Boxes are to be removed, a notice must be posted which informs that:

- They are planning to remove the call box
- The name of the Local Authority where people can object
- How they can find the location of the nearest box

BT must also inform the District Council, as the 'Relevant Public Body'. This Notification will inform the District Council of:

- The details of the call box,
- The reasons for removal,
- The date the notice was posted on the box.

BT informs the Council that they have done this for all 25 payphones and that the consultation period began on 8 June 2008.

CONSULTATION PERIOD

The Council then has a period of 42 days to consult and prepare a first notice notice stating whether BT's decision to remove the call box will be supported or whether the local veto will be used. This expires on the 20th July.

A notice informing the public of the intention to remove the call box will have been displayed prominently in the call box by BT. This will inform the public of where and how they may make representations regarding the removal.

British Telecommunications were asked for their comments regarding the proposed closures of the PCB's, to which, we received this response from Linda Kennedy, Project Liaison Officer for BT Telephones.

"We are consulting with unitary authorities on less than a quarter of our most unprofitable boxes (14 % of our overall estate). Almost 10% of our entire estate makes less than 1 call/month. Currently 60% of public payphones are unprofitable as a result of falling demand. While we need to review our estate to ensure that it matches that demand we are committed to meeting our obligation to provide a public payphone service.

In the main we have looked at the most unprofitable boxes, those that lose us the most money, either through low usage or excessive maintenance costs. Payphone usage has halved in the last three years and decline is still running at 20% year on year. The reality is that people just don't use, and therefore don't need as many public payphones as we currently provide."

“It’s safe to say that any payphone proposed for removal which appears to have high amount of calls, means that the maintenance costs on that payphone are much greater than the revenue generated. Excessive costs are almost always due to vandalism of some sort, either through robberies, or structural damage to the kiosk or payphone mechanism or glass breakage. On average it costs us £1000.00 to maintain a kiosk annually.”

BT also provided some details of usage of each of the payphones proposed for closure and this is detailed at Appendix “D”.

The Council will need to initiate a consultation process. Ofcom does not stipulate a procedure to follow but suggests that notice should be brought to the “attention of such persons as it considers appropriate”.

The Council published a notice in the Whitehaven News and requested members of the public to comment on the proposals. So far 10 responses have been received and are at Appendix “B”.

The committee are asked to consider these comments.

THE FIRST NOTICE

At the end of the forty-two day consultation period, the Council must publish their first decision. The Council must state whether it agrees with the decision to remove the call box or whether it intends to use its local veto. It must state the reasons for the decision.

The Ofcom Guidance states that the “local veto” is such that BT must not bring its proposal into effect if it has received any written objection to the proposal by the council within the period ending 90 days (6 September 2008) after the period on which written notice was first given.

The Committee are asked to consider the draft first Notice (at Appendix “A”) which takes account of the comments received. It is proposed to place it in the Whitehaven News for the 30th July 2008 edition.

This notice will have a one month consultation period which will end 27th August 2008. As part of the consultation it is proposed to write to all the affected parish Councils asking for specific views on the proposals.

THE SECOND NOTICE

At the end of the four week consultation period the Council must publish its second or final notice. This sets out the final decision and the reasons for it.

The Committee will then consider responses to this First Notice at the special meeting on the 2nd of September and will need to give a final decision to BT by the 6th September.

This is because the whole consultation period should take no longer than ninety days from the day following the giving of written notice to the Council.

SUGGESTED FACTORS WHICH MAY BE TAKEN INTO ACCOUNT WHEN MAKING THE DECISION

The Ofcom guidance states that it is considered reasonable that these factors may influence the decision made. This is not an exhaustive list.

- The demographics of the local population. Communities in areas of low incomes are more likely to rely on a call box.
- Number of households in the locality of the call box, and the effect that removing the call box would have on the local community.
- Mobile phone network coverage.
- The facility for making emergency calls in the area. In rural areas, mobile phone signal strength may be low and mean that call boxes are more needed.
- The revenue from the call box.

THE DECISION MAKING PROCESS

The decision must be:

- Objective,
- Justifiable,
- Not discriminatory,
- Proportionate and transparent.

The Council must ensure that other local public organisations receive both notices as well as BT.

CONCLUSION

The Committee is invited to consider the process outlined above for responding to the proposal by BT and the draft initial notice and agreeing/amending it as appropriate.

List of Appendices

Appendix "A" – Draft first notification

Appendix "B" – Consultation letters received

Appendix "C" – Ofcom Regulations – Guidance on procedures for the removal of public call boxes

Appendix "D" – Copeland Call Data from BT

Appendix "E" – Mobile Phone Coverage

List of Background Documents:

None