

# prisoners' phone calls

## **The market for telephone calls by prisoners: a super-complaint**

By the National Consumer Council, Scottish Consumer Council  
and Welsh Consumer Council with support from the Prison Reform Trust

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# Executive summary

The current market for telephone services in prisons across England, Wales and Scotland has a number of features that appear to be significantly harming the interests of prisoners and need to be investigated.

The cost of most calls from prisons is much higher when compared with phone boxes, which appears unrelated to the cost of provision.

Research suggests that prisoners are six times less likely to re-offend if they have a supportive family network to return to when they come out. The current arrangements discourage calls lasting longer than a few minutes.

The charges remain high, despite most other basic telephone services and other ICT-related products and services having fallen significantly in price.

The terms and conditions of the existing service operated by the two Prison Services explicitly seek to prevent competition.

The unsatisfactory and secretive nature of the contract, coupled with the apparent arbitrary nature of decisions taken since it came into effect, has disadvantaged consumers.

Any new contracting processes must be conducted in a transparent and accountable way that aligns prison needs, costs and charges in a fair and reasonable manner.

Future contracts should include suitable incentives for innovation and allow for competition and choice. The price and quality of the services must also be monitored during the term of the contract.

# Introduction

This super-complaint on the cost of telephone calls made by prisoners in England, Wales and Scotland has been submitted on behalf of the National Consumer Council, the Scottish National Consumer Council and the Welsh Consumer Council, and with the support and assistance of the Prison Reform Trust.**(1)** It is made under the terms of the Enterprise Act 2002**(2)** and in line with the guidance issued by the Office of Fair Trading.

We consider that the interests of consumers are significantly harmed by aspects of the market concerned and the conduct of BT, Siemens and the two Prison Services.**(3)** This paper sets out the reasons why, in our view, the current market has a feature or combination of features, as defined in section 131(2) of the Enterprise Act, which appear to be significantly harming the interests of prisoners and should therefore be investigated. **(4)**

The main grounds of the super-complaint are:

- the high cost of calls from prisons and the extent to which these appear unrelated to the cost of provision;
- the continuing high level of charges during a time when most other basic telephone services, and other ICT-related products and services, have fallen significantly in price;
- the fact that the terms and conditions of the existing service explicitly seek to prevent competition; and
- the extent to which these issues are caused and exacerbated by the unsatisfactory and secretive nature of the contract, and the apparent arbitrariness of decisions taken since it came into effect, to the disadvantage of consumers.

Although the super-complaint is focused solely on features of this market which we consider to be causing substantial consumer detriment, we acknowledge the wider public policy implications of this issue. For example, research suggests that prisoners are six times less likely to re-offend if they have a supportive family network to return to when they come out,<sup>(5)</sup> but almost half of people in prison lose contact with their families during their sentence.<sup>(6)</sup> The recent pressure of overcrowding has also increased movement of prisoners from one overcrowded establishment to another, usually increasing their distance from home and reducing the chance of family visits. It would appear to be strongly in the public interest to enable rather than discourage phone calls to their families by prisoners.

We have requested that Ofcom, as the relevant regulator, undertake a full appraisal of whether any feature or combination of features of the market is significantly harming consumer interests and, if so, what action should be taken.

# The market

The telephone service in publicly-run prisons in England and Wales is currently provided by BT, under the terms of a contract between the company and HM Prison Service first agreed in 1998 then revised in 2003.**(7)** This contract is due to expire in 2011 and the re-tendering process is understood to start in late 2008. Services in Scotland are provided by Siemens Enterprise Communications Ltd, under the terms of a contract with the Scottish Prison Service.**(8)** The Siemens bid was based on BT rates in operation in HM Prisons at the time. This contract commenced in September 2003 and expires on the 31 March 2010.**(9)**

We have asked both Prison Services to provide us with copies of these contracts, but have been refused on the grounds of commercial confidence. This reflects the response to such requests from MPs. For example, the then Home Office minister Gerry Sutcliffe stated in February 2007:

*'The cost of calls is subject to contractual agreement between the Home Office and British Telecommunications plc. The factors used are commercial in confidence to both parties.'***(10)**

Under the 1998 HM Prison Service contract, BT installed new phones in English and Welsh prisons. These use a PIN-based system called Pinphone, replacing the previous phonecard arrangements. The system works as described by HM Prison Service:

*'Prisoners are asked to complete a form to select telephone numbers for family, friends and legal contacts, and the list has to be approved. Outside the high security prisons and depending upon the category of a prisoner, it may be possible to make telephone calls to family, friends and legal contacts without having the number approved. The system works on a credit basis. Prisoners can purchase credit and the cost of phone calls made is deducted automatically from their PIN account.'***(11)**

Prisoners purchase Pinphone credits in multiples of £1.00 which can be credited to their Pinphone account.**(12)** Prisoners wishing to make international calls need to buy an additional international calling card. This card can be purchased by prisoners through the prison shop and is available in two denominations, currently £3 and £5.**(13)** Prisons in Scotland also operate a Pinphone system.

Charging structures in state-run prisons, and in the majority of privately operated prisons (with the exception of some Serco-operated prisons) are common in England, Wales and Scotland. Key elements are as follows:**(14)**

- For calls to landlines, there is a minimum charge of 10p for the first 55 seconds, then a charge of 1p per 5.5 seconds (or part thereof). This is equivalent to 11 pence per minute. This does not vary by time of day or destination of the call.
- Calls to mobiles cost from 19 to 63 pence per minute, dependent on the time of the call, as in Table 1 below. In the experience of the Prison Reform Trust, many prisoners are more likely to call mobiles than landline numbers, since their family members often live in low-rented accommodation with no access to landlines.

*Table 1: Charging structures, for calls to mobiles (Source: Prison Reform Trust)*

Day	Time	Price per minute (pence)
Monday to Friday	08.01 to 18.00	63.0
Monday to Thursday	18.01 to 08.00	37.5
Friday	18.01 to 24.00	37.5
Saturday and Sunday	00.01 to 24.00	19.0

- International calls are charged at rates ranging from 44 pence to £3.00 per minute, depending on the destination of the call and the phone provider; international calls in HM Prisons are not provided by BT.(15)

Revenues from calls predominantly go to the relevant supplier, with a proportion also going to the Prison Service.

In England and Wales, BT agreed to provide and install the Pinphone system at no cost to HM Prison Service. Its costs were to be covered by the revenue from the sale of telephone credits, which would generate profit for the company. The Prison and Probation Ombudsman has informed us that HM Prison Service also receives some of the revenue – it is paid a set commission rate on the sale of Pinphone credits, although this figure is not publicly available. HM Prison Service has stated that the commission is either paid into the prison’s General Purpose Fund for the benefit of prisoners or, where the prison shop has been contracted out, used to reduce the fee for the contract for the shop on a £1 for £1 basis.

The Scottish Prison Service also receives a rebate based on call revenue, but wouldn’t state the proportion of this rebate when asked. We have not been able to establish how the cost of providing and installing the service in Scotland was paid for.

# The problem

Prison telephone services have been previously investigated, and have received serious criticism from the Prisons and Probation Ombudsman for England and Wales, who commented in his annual report that he was *'far from convinced that the current pricing structure was optimal'*.<sup>(16)</sup>

The price of phone calls is frequently raised as an issue in reports from Independent Monitoring Boards (IMBs). The IMB report from Wormwood Scrubs in November 2007<sup>(17)</sup> asked the Minister to look at the high cost of phone calls. There have also been a number of parliamentary questions asked by MPs who have been contacted by their constituents; the Prison Reform Trust's advice service and the Prisoners' Families Helpline also receive complaints about the price of calls, although no precise records exist to quantify the extent of the problem.

## The relationship between costs and charges

Based on the information that is made public, we believe that the current costs of calls made in prisons are too high and do not appear to be related to the cost of provision.

We are concerned that the charging structure appears arbitrary and insufficiently related to the cost of providing the service. BT stated last year that *'the public payphone service does not require the same level of ongoing investment in security and monitoring that are essential to meet the bespoke requirements of our customer Her Majesty's Prison Service'*.<sup>(18)</sup>

Ofcom, in correspondence with the Ombudsman,<sup>(19)</sup> drew attention to the additional costs BT were likely to incur owing to the location of the phones, although it is not apparent that this comment was made on the basis of any substantial analysis:

*'On the information, it appears that the prices charged by BT are the result of specific circumstances of the prison environment and would appear to derive from the specific requirements of the Prison Service e.g. technical functionality, access and usage limitations, which are linked to HM Prison's Incentives and Earned Privileges System. These requirements do not apply in respect of the charging model for a public payphone.'*<sup>(20)</sup>

While we accept that there are some small additional costs associated with the provision of the prison telephone service, we would question how significant these now are, particularly in light of technological developments. PIN systems to control access are now commonplace, and while we accept that this might in the past have

accounted for the high level of charges, we are unconvinced that it does so to any significant degree now.

The system fails to discriminate between different groups of prisoners facing very different constraints on their ability to make calls as they wish. Prisoners on remand, who are not convicted, face relatively few rules about who they can and cannot call, while others – such as the comparatively few ‘Category A’ prisoners – face substantial restrictions.**(21)** The latter group clearly requires more advanced technology, possibly entailing greater cost, but the charges for all prisoners are the same – suggesting a cross-subsidy from prisoners on remand.

We would additionally question whether the investment establishing the Pinphone system made by BT in the late 1990s might have been recouped by now. If that were the case a properly functioning market would see the price fall.

It is claimed that the charges are in part a reflection of ongoing maintenance costs.**(22)** Such costs for prison telephones are, however, likely to be lower than those for payphones. For example, there is likely to be a much lower incidence of vandalism of facilities, due to supervision of areas where phones are sited in prisons.

The Pinphone system and the restrictions on which numbers can be called are clearly a fixed cost per call, suggesting that short calls should be relatively more expensive than long calls. The reality is the other way round – short landline calls are actually cheaper than comparable calls from phone boxes, while longer calls are many times more expensive than such calls.

We would in any event query whether security-related costs should be passed onto prisoners through the charging system. Doing so is inconsistent with all other aspects of prison operations – including those relating to communication. For example, prisoners are given one free stamp a week (two if not convicted) and can buy an unlimited number at the standard price, even though letters may be subject to monitoring for reasons of security.**(23)**

Finally, there is evidence that the level of service is not actually being provided on a consistent basis. The recent report on Werrington Young Offenders Institute by HM Chief Inspector of Prisons**(24)** for example concluded:

*‘Not all wings had enough telephones and 25% of prisoners, significantly worse than the comparator, said they had difficulties getting access to them. Some telephones were in areas where prisoners could not use them when ‘locked off’. One of the two telephones on D wing had been broken for about four weeks, leaving*

*just one telephone for 64 prisoners. The 80 prisoners on G wing and 56 on H wing had access to a maximum of only three telephones for one hour and to just one telephone for another hour. There were just four telephones for 112 prisoners on E and F wings. Even though prisoners on L and P wings were not locked in cells, the telephones were not accessible during patrol state. The regular planned and unplanned cancellations of association... also restricted access to telephones.'*

## **The impact of high charges**

Evidence points to the impact of high charges on prisoners, their families and friends.

Prisoners' earnings are on average about £8 per week.**(25)** Consequently, a seven-minute telephone call each week, costing 77 pence, would represent almost 10 per cent of their earnings. We understand from conversations with the Ombudsman's office that the actual figures for how much prisoners spend on calls are commercial in confidence and held by BT. However, we do know that around 27 per cent of money spent in the canteen (prison shop) is spent on phone credit.**(26)**

The impact of high prices is that prisoners make fewer, shorter calls. The current average call duration is four and a half minutes. One-quarter of all calls from prisons last less than one minute, and approximately half of calls end within two and three-quarter minutes. Six per cent of calls last fifteen minutes or longer.

HM Prison Service has cited current calling patterns as the reason for preserving the current price system. It is our understanding that, under existing practices, prison staff encourage the maximum number of prisoners to use telephones at a time of day when call recipients are more likely to be available. It could be claimed that allowing longer, cheaper calls would go against this principle and the existing charging structure makes it easier to keep call lengths short.

The Prison Reform Trust has raised concerns that the relatively short length of phone calls at present is caused by a number of other factors, particularly high prices. Lack of access to phones, short periods of time out of cells, a family member who isn't in to take a call and intimidating queues are other factors that influence demand. **(27)**

The Prison and Probation Service Ombudsman also feels that it isn't possible to say that current call patterns represent actual demand.**(28)** One Prisons Inspector said that, despite all the other factors that restrict phone usage, prisoners always complained most about the actual cost of their phone calls.**(29)** It could be that high call costs are a useful aid to prison governors in limiting phone use in association time, which is often compromised to manage staff or security problems.**(30)**

Research suggests that almost half of people in prison lose contact with their families during their sentence.**(31)** The high prices also reinforce this trend. The recent pressure of overcrowding has increased movement of prisoners from one establishment to another, usually increasing their distance from home and reducing the chance of family visits. Yet it would appear to be strongly in the public interest to enable, rather than discourage, prisoners to make phone calls to their families: research suggests prisoners are six times less likely to re-offend if they have a supportive family network to return to when they come out.**(32)**

### **Charges relative to other telephone services**

There is evidence to demonstrate that the price of a phone call made in prisons has not reduced in line with most other basic telephone services and other ICT-related products.

Comparable services include public payphones operated by BT, as well as the services provided in most Serco-operated private prisons. These all provide the ability to make a single telephone call for a one-off all-inclusive charge, without having to subscribe to a service or pay line rental.

BT payphone calls to UK landlines are charged at 40p for the first 20 minutes, then 10p for each subsequent 10 minutes or portion thereof.**(33)** These charges do not vary by time of day or destination within the UK. Payphone calls to mobile phones are usually about 63p a minute between 6am and 6pm on weekdays, and 37.5p a minute at all other times**(34)** these are comparable with those charged to prisoners but around 5 times higher than a standard domestic landline to mobile tariff.**(35)**

*Table 2* below sets out costs for different call lengths. This indicates that calls from a prison to a landline of over three minutes and 40 seconds are more expensive – usually significantly so – than a public payphone.

Table 2: Charging structures, for calls to landlines

Length of call (mins)	Cost of calls from public payphone (£s)	Cost of calls from prison (£s)	How many times more expensive prison calls are compared to payphones
0.5	0.4	0.1	0.25
1	0.4	0.11	0.28
5	0.4	0.55	1.38
10	0.4	1.09	2.73
15	0.4	1.64	4.10
20	0.4	2.18	5.45
25	0.5	3.27	6.54
30	0.5	3.62	7.24
35	0.6	3.82	6.37
40	0.6	4.36	7.27
45	0.7	4.90	7.00
50	0.7	5.45	7.79
55	0.8	6.00	7.50
60	0.8	6.55	8.19

HM Prison Service claims that, because of the higher minimum call charge for payphones, 64 percent of prisoners' calls are now cheaper than payphones. However, as noted above, we consider that this confuses cause and effect. The reality would appear to be that the length of prisoners' calls is substantially influenced and constrained by the high cost of calls lasting more than about four minutes.

When the charging structure for calling mobile phones is taken into consideration the prices for pay phones and prison telephones are almost identical. A 5 minute off-peak call from a prison using the BT contract costs £1.88 compared with £2.08 from a BT pay phone. The difference between these two prices is equivalent to the non-refundable connection charge that applies to pay phones. This proves it is possible for the tariffs of both services to be kept in line with each other, which makes the differences for land line calls harder to justify.

Of those prisons run by the private sector, only prisons operated by Serco have their own telephone arrangements. Serco prisons operate separate contracts,<sup>(36)</sup> each one with preferred suppliers, with the local demographics of the prison informing priorities for phone billing. Prisons with a local population would consider the local landline rate to be a higher priority. Prices therefore vary across Serco-operated prisons. In HMP Dovegate, a Pinphone system from Voice Products, carried by Opal

Telecoms, provides landline calls for 10p per minute day and evening and 8p per minute at weekends (1-3p per minute cheaper than the BT service,). Mobile calls cost 23 pence per minute less than daytime BT rates. In HMP Lowdham Grange, where Unify provides the Pinphone system and Opal Telecom is the carrier, local landline calls cost 8p per minute, national calls cost 9p per minute, and calls cost 27p per minute to UK mobile numbers.(37)

## **The telecoms market and changes over time**

The telecoms and ICT markets are fast-moving heavily reliant on innovation. Prices of telephone services have generally fallen substantially over recent years, and technology has developed at a pace. Last year, Ofcom noted that average prices for telephone calls had fallen by around 60 per cent over the previous decade.(38)

Ofcom ascribed this fall to, amongst other things, competition, technology and regulation. However, this does not seem to have any impact on the cost of calls made in prisons, where prices have remained stubbornly fixed. The Prisons and Probation Ombudsman for England and Wales notes:

*‘The general public has benefited from much cheaper calls in the last 10 years as a result of increased competition. However, the cost to prisoners has remained static – making their calls relatively more expensive.’(39)*

The BT payphone rate and the price of calls for prisoners were once connected, but these have diverged over time. Before 1999, payphone and prison rates were the same; the invitation to tender for the 1999–2011 contract, and the resulting contract itself, maintained this arrangement. However, in 2004, HM Prison Service and BT confirmed a break in the link between payphone prices and prison phone prices, in order to allow ‘a degree of flexibility in pricing’.(40)

This breaking of the link between payphone prices and prison phone prices – which was never subjected to public scrutiny or discussion – has not been explained and has disadvantaged prisoners. It should be acknowledged that it did offer one benefit: when BT twice raised the minimum charge for payphone calls, from 20p to 30p(41) and then 40p,(42) this was not implemented within prisons.

## **Lack of competition**

Unlike other consumers, prisoners do not have the option of using a mobile phone or of receiving rather than making calls.**(43)** They are also tied to using BT for all telephone calls, at a time when the wider telecoms market has seen the development of new types of competition. The use of VOIP, for example, now gives the option of much cheaper calls.

HM Prison Service has negotiated an arrangement with Global Communications and Consulting Ltd to provide an approved international calling card, enabling prisoners to make international calls at significantly cheaper rates than those charged by BT.**(44)** The BT national rate still applies, but even taking this into account the total price is much lower – for example, calls to France are 44p a minute instead of 66p, and calls to Australia are 56p instead of £1.00 a minute. We understand that HM Prison Service has compensated BT for revenue lost as a result of the introduction of this service.

However, all other competition is explicitly prohibited: the terms and conditions of use declare that ‘No credit card calls, collect or diverted calls or calls via other telecommunication providers are permitted’.**(45)** Failure to agree to these conditions means the prisoner cannot use the service; breaching the rules may lead to the prisoner being charged with an offence against discipline.**(46)**

We are aware of one company, Moscom, which has been trying to enter this market and undercut the cost of UK calls using the standard BT service. Prisoners would register a number they want to call and arrange with Moscom to allocate that number with some credit. Moscom intends for the prisoner to then dial a freephone number using the normal prison telephone system, which would direct the call to the number they registered. Most of the call prices on offer would substantially undercut those of BT. However, prisoners are prevented from calling freephone numbers – this would appear to be to prevent loss of income to BT rather than for any serious security reasons. Moscom has now set up landline numbers instead, though these would only be cost-effective for international or mobile calls (since the total charge will include the usual BT landline charge). Using the Moscom landline number is a potential breach of the terms and conditions highlighted above, and could lead to the prisoner being charged with a disciplinary offence.**(47)**

## The contracting process

We are concerned by the way in which the content and operation of the contracts remain shrouded in secrecy. Some of the information has been made available only because of the Ombudsman's investigations. Given the monopoly nature of the service, and the adverse impact of the contract on the users of the service, we consider that this is unacceptable.

Unlike members of the public, prisoners have no choice about their telephone provider. We consider that this lack of choice should place an obligation on the Prison Services to ensure that prisoners (and their families) are not materially disadvantaged as a consequence. The two Prison Services appear not to have considered the financial position of prisoners when contracting the phone system. Each prison population has a different communication need, reflecting the inmates' nationality, their distance from their local community, their sentences, and their gender; yet the current phone provision operates on a 'one-size fits all' assumption. HM Prison Service confirmed to the Prisons and Probation Ombudsman for England and Wales that it had not undertaken any impact assessments on the impact of tariffs on prisoners or their families, but agreed to do so in future.<sup>(48)</sup>

In a 1998 report,<sup>(49)</sup> the then Prison Ombudsman, Sir Peter Woodhead, examined the BT contract which expired in 1999. He criticised the limited criteria by which the new Pinphone system was being considered, stating:

*'The cost to prisoners for using the system does not appear to have been a major concern, the tender document requiring only that prisoners should not be charged above the public payphone rates, which have recently been increased significantly for weekend and evening calls.'*

More recently, however, there has been a welcome development. The Ombudsman stated in his 2006-7 Annual Report:

*'I recommended that, in future, when services are procured that will have an impact on costs to prisoners or their families, an impact assessment should be undertaken and considered during the tendering process. The Prison Service accepted this recommendation.'*

We believe that any tendering process should clearly and openly focus on the prices faced by the users of the service, so that needs, costs and charges are fairly and reasonably aligned, and that there are suitable incentives for innovation. The price and quality of the service should be monitored during the term of the contract.

We understand that the National Offender Management Service and HM Prison Service have indicated to BT that there will be no extension to the current contract which expires in May 2011. The re-tendering process is scheduled to start in late 2008. This will provide an opportunity to address the issue of call charges and the types of telephony-related services used by prisoners. However, this new contract is three years away, and we do not consider that prisoners should be faced with excessive prices during this period. We believe that action is needed now to remedy the situation.

The Ombudsman recommended in 2006-7 that HM Prison Service should reopen negotiations with BT to reduce the price of calls.**(50)** HM Prison Service refused to follow this recommendation from the Ombudsman on the basis that it might then have to compensate BT for lost revenue, at a cost to the taxpayer.**(51)**

Without seeing the contract between BT and HM Prison Service, which remains confidential, it is impossible to say whether this point about compensation is an accurate characterisation of what would happen if the charges were reduced.

We are also unable to find out how much money HM Prison Service and the Scottish Prison Service receive each year as a result of charges imposed on prisoners' phone calls. In a parliamentary question in March 2006, the then Home Secretary, Charles Clarke MP, stated:

*'The Prison Service receives a commission on each £1 pinphone credit purchased by prisoners. The value of this commission is commercial in confidence to the Prison Service and is not disclosable under the exemption set out in section 43 of the Freedom of Information Act 2000 on commercial interests.'***(52)**

It would appear on the face of it that HM Prison Service has signed a contract which maintains high prices and protects BT from competition over a lengthy period. The impact on consumers seems to have played no part in the contracting process. The Prison Service has implicitly acknowledged this in accepting the Ombudsman's recommendation that it takes consumers into account in the next contracting process. Given both parties' apparent determination to maintain this contract, at the expense of consumers and in the face of the Ombudsman's recommendation, it would appear that there is little alternative to detailed regulatory scrutiny and intervention.

# Conclusions and potential actions

The contracts between HM Prison Service and BT, and the Scottish Prison Service and Siemens, were drawn up in a secretive way without reference to the consumer interest, and remain confidential. Remarkably, given the length of the Prison Service contracts – particularly in England and Wales, which lasts for 12 years – there are no allowances for reductions in prices, to reflect changes in the wider telecoms and ICT markets, nor do they appear to encourage innovation. The contracts insulate BT and Siemens from any competition, with the terms and conditions of the service prohibiting use of a rival provider. Unsurprisingly, given this lack of any pressures on prices through competition or consumer-focused scrutiny, the costs of much of the service have remained stubbornly well above those of BT payphones. It is not obvious that the charges reflect the costs of providing the service, despite protestations from BT to the contrary. No details of the contracts or commercial costs for the operators have been made available and there has been no substantial independent analysis of their claims.

For two organisations to contract with each other to their own benefit and in an unaccountable way, is unacceptable in terms of competition and consumer protection.

This super-complaint proposes reform, with a view to preventing continuing and significant harm to consumers, by:

- ensuring publication of the two contracts, between BT and HM Prison Service, and Siemens and the Scottish Prison Service;
- publishing a thorough independent analysis of the relationship between the charges and the costs of providing the services;
- requiring the removal of any terms and conditions that prevent competition without transparent considerations such as security issues;
- persuading and, if necessary, requiring the Prison Services to bring forward the new contracting processes and the start date for the new contracts;
- getting agreement from the Prison Services that the new contracting processes will be conducted in a transparent and accountable way;
- getting agreement from the Prison Services that the tendering process will ensure that individual prison needs are taken into account, in the same way that some

privately-operated prisons already do, and aligned with any associated costs and charges in a fair and reasonable manner;

- getting agreement from the Prison Services that the new contract will include suitable incentives for innovation and allow for competition and choice. The price and quality of the services must also be monitored during the term of the contract – including the collection of customer satisfaction data.

## References

<sup>1</sup> 'For the purpose of this super-complaint, we' is defined as the NCC, SCC, WCC and the Prison Reform Trust.

<sup>2</sup> Section 11 of the 2002 Act defines a super-complaint as a complaint submitted by a designated consumer body that *'any feature or combination of features, of a market in the UK for goods or services is or appears to be significantly harming the interests of consumers'*.

<sup>3</sup> HM Prison Service (covering England and Wales) and the Scottish Prison Service.

<sup>4</sup> Prisoners are consumers of those services, as defined in section 183(1) of the Act.

<sup>5</sup> Social Exclusion Unit, Reducing Re-offending by Ex-Prisoners, 2002.

<sup>6</sup> Nacro, The forgotten majority, 2000.

<sup>7</sup> We understand that the Prison Service advised the Ombudsman's office that there had been 15 recipients of the invitation to tender and that a number of bids were received. Three made it through to the shortlist. However, two companies withdrew leaving BT as the only bidder.

<sup>8</sup> Three bids were received. Siemens was chosen because they met all the technical criteria and offered the most economic solution.

<sup>9</sup> From the Scottish Prison Service in response to questions by NCC.\*

<sup>10</sup> HC Debates, 27 February 2007, Column 1216W.

<sup>11</sup> <http://www.hmprisonservice.gov.uk/adviceandsupport/keepingintouch/otherwaystokeepintouch/>

<sup>12</sup> Service Order Number 4400 Chapter 4, Section 2.10.

<sup>13</sup> Prison Service Order Number 4400 Chapter 4, Annexe E.

<sup>14</sup> Information from Parliamentary question Wormwood Scrubs: Telephones, 21 November 2007, information from NIPS, HMPS and SPS and BT price list.

[http://www.serviceview.bt.com/list/public/current/Call\\_Charges\\_boo/0016\\_d0e25139.htm](http://www.serviceview.bt.com/list/public/current/Call_Charges_boo/0016_d0e25139.htm)

<sup>15</sup> Prison Service Order Number 4400 Chapter 4, Annexe G.

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<sup>16</sup> Prisons and Probation Ombudsman, Annual Report 2006-7, p21 -

<http://www.ppo.gov.uk/download/annualreps/Annual%20Report%202006-07.pdf>

<sup>17</sup> HMP Wormwood Scrubs 2007 Annual Report. Independent Monitoring Board. November 2007.

[http://www.imb.gov.uk/annual-reports/07-annual-reports/Wormwood\\_Scrubs\\_2006-2007.pdf?view=Binary](http://www.imb.gov.uk/annual-reports/07-annual-reports/Wormwood_Scrubs_2006-2007.pdf?view=Binary) [Accessed: 14/04/08].

<sup>18</sup> Fight to cut prison call prices. BBC News Online. 02/04/07. <http://news.bbc.co.uk/1/hi/uk/6519169.stm> [Accessed:

14/04/08].

<sup>19</sup> Letter dated 28 February 2006.

<sup>20</sup> HM Prison's Incentives and Earned Privileges System is a mechanism through which prisoners can earn extra privileges including money and time out of cell.

<sup>21</sup> Prison Service Order 4400. Chapter 4 sections 2 and 6.

<sup>22</sup> Prison Service Order 4400. Chapter 4 Annex D.

<sup>23</sup> <http://www.hmprisonservice.gov.uk/adviceandsupport/keepingintouch/otherwaystokeepintouch/> [Accessed: 14/04/08].

<sup>24</sup> Published 28 September 2007 - [http://inspectorates.homeoffice.gov.uk/hmiprison/inspect\\_reports/hmp-yoi-inspections.html/Werrington1.pdf?view=Binary](http://inspectorates.homeoffice.gov.uk/hmiprison/inspect_reports/hmp-yoi-inspections.html/Werrington1.pdf?view=Binary) [Accessed: 14/04/08].

<sup>25</sup> Prisoners earn money through attending work or education. People that can't work through disability or old age earn £2.50 a week. Prisoners can also have 'private cash' sent in from families. This amount varies depending on prison and individual privilege level and is dependant on someone in the community being able to afford to do this.

<sup>26</sup> Prisons and Probation Ombudsman report 23rd August 2006.

<sup>27</sup> The prison regulations state that prisoners must have access to the phones for at least two hours a day. (PSO 4400, paragraph 2.38). Governors can restrict the length of calls and some prisons have a daily 5 minute maximum per prisoner so that other prisoners will have time to use the phone. The suggested phone/prisoner ratio is 1 handset: 25 prisoners (PSO 4400 Annex D paragraph 4). However, many wings have far fewer phones than this.

<sup>28</sup> Conversation between Stephen Shaw and the National Consumer Council.

<sup>29</sup> Conversation between Joss Crosby (Prisons Inspector) and the National Consumer Council.

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<sup>30</sup> We understand that in some Serco prisons, phones are being trialled in individual cells, encouraging less circulation of prisoners in association time, and subsequent improvements in prison management.

<sup>31</sup> The forgotten majority. Nacro. 2000.

<sup>32</sup> Reducing Re-offending by Ex-Prisoners. Social Exclusion Unit. 2002.

<sup>33</sup> This does not vary by time of day or destination within the UK.

<http://www.payphones.bt.com/publicpayphones/paymentprices.htm> [Accessed: 14/04/08].

<sup>34</sup> [http://www.serviceview.bt.com/list/public/current/Call\\_Charges\\_boo/3545\\_d0e5.htm#3545-d0e5](http://www.serviceview.bt.com/list/public/current/Call_Charges_boo/3545_d0e5.htm#3545-d0e5)

<sup>35</sup> BT residential prices, calling plan charges for calls to mobile telephones April 2008.

<sup>36</sup> HMP Doncaster uses the BT Pinphone system and rates.

<sup>37</sup> Although charges at HMP Lowdham Grange compare unfavourably with BT payphones for longer landline telephone calls.

<sup>38</sup> Now It's You Call. Ofcom. <http://www.ofcom.org.uk/consult/condocs/retail/rpcads/rpcposter.pdf> [Accessed: 14/04/08].

<sup>39</sup> Prisons and Probation Ombudsman, Annual Report 2006-7, p21

<sup>40</sup> Prison telephone charging rate challenge. Leigh Day & Co Solicitors. April 2007.

<http://www.leighday.co.uk/doc.asp?cat=849&doc=1086> [Accessed: 14/04/08].

<sup>41</sup> Slow demise of a very British icon. BBC News Online. August, 2004. <http://news.bbc.co.uk/1/hi/business/3602118.stm> [Accessed: 14/04/08].

<sup>42</sup> BT raises phone charge charge to 40p. BBC News Online. September 2006.

<http://news.bbc.co.uk/1/hi/business/5381084.stm> [Accessed: 14/04/08].

<sup>43</sup> Although we understand that two women's prisons, Askham Grange and Foston Hall, have an incoming call facility, available only to enhanced prisoners in Foston Hall, but to all inmates in Askham Grange. The Askham Grange service was in operation before the BT Pinphone contract. It is our understanding that these are the only prisons that operate such a system and this does not reflect a more general change in Prison Service policy.

<sup>44</sup> In the interests of maintaining family ties, prisoners with close family abroad who have not received a social visit during the preceding month may be allowed credit at public expense to make a five minute telephone call.

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<sup>45</sup> Prison Service Order 4400 Chapter 4 Annex A.

<sup>46</sup> Prison Service Order 4400 Chapter 4 paragraph 2.8.

<sup>47</sup> Email from Michael Stannard, Moscom.

<sup>48</sup> Prisons and Probation Ombudsman for England and Wales, Annual Report 2006/7, p21.

<sup>49</sup> Section 4.1 Prison Ombudsman's Report case number 10773/98.

<sup>50</sup> Annual Report 2006-7.

<sup>51</sup> As we understand happened when a partial alternative to BT was introduced for international calls. The Prison Service commented earlier this year that it 'is satisfied that the current policy of telephone costs is fair both to prisoners and the taxpayer since any reduction in the cost of prisoner calls would require a subsidy.'

<sup>52</sup> HC Debates, 1 March 2006, column 832W

[http://www.publications.parliament.uk/pa/cm200506/cmhansrd/vo060301/text/60301w40.htm#60301w40.html\\_wqn10](http://www.publications.parliament.uk/pa/cm200506/cmhansrd/vo060301/text/60301w40.htm#60301w40.html_wqn10) [Accessed: 14th April 2008].