

Title:

Forename:

Surname:

Representing:

Self

Organisation (if applicable):

Email:

What do you want Ofcom to keep confidential?:

Keep name confidential

If you want part of your response kept confidential, which parts?:

Ofcom may publish a response summary:

Yes

I confirm that I have read the declaration:

Yes

Ofcom should only publish this response after the consultation has ended:

Yes

Question 1: Do you agree that it is helpful and appropriate for Ofcom to issue guidance on the application of the Regulations to consumer contracts for communications services?:

Yes

Question 2: Do you agree with Ofcom's proposed guidance regarding core terms and transparency?:

Not reviewed in detail

Question 3: Do you agree with Ofcom's proposed guidance (including any administrative thresholds we have set) on non-core terms to which we apply the test of fairness?:

In general, but see below

Question 4: Are there any other issues that are covered by the Regulations which Ofcom should give guidance on?:

I refer to paragraphs A5.41 to A5.43 of the review document. My comments concern the practice of BT in respect of non-DD charges, and I have not studied that of other suppliers.

Ofcom recognises that it may be fair for suppliers to recover non-DD processing costs. You will be aware that BT is also now linking an enhanced DD discount to "paperless", i.e. online billing.

BT offers, and I use, bill payment by direct online bank transfer. But the combination of "paperless billing" and online payment does not appear to attract any discount (I am awaiting a response on this, but expect it to be negative.)

Now the processing costs for this combination of billing and payment must be lower even than those for DD. Nothing has to be set up by the supplier; and the customer does the work.

I would therefore like you to consider providing guidance on this point specifically.

It might be argued that a customer who normally pays online incurs additional administrative costs if he or she defaults. But it would be easy for a retrospective charge to be imposed in this case - and besides you have suggested in A5.43 that bad debt recovery should not be an element of the make-up of the non DD charges.

Ref A5.41 to A5.43 of the review document.

This is a follow-up to my response of 2nd March, in which I drew attention to BT's failure to recognise that the processing costs for online bill payment should be no higher than those for DD and that therefore the non-DD charge should not be applied to the combination of paperless billing and online bill payment.

Since then I have received confirmation from BT that the above combination does indeed attract non-DD charges and, after some further correspondence, an explanation which in essence runs as follows:

1. Non-DD processing costs are averaged over all non-DD customers, whatever alternative payment method they choose.
2. Online payment may incur bank or administration charges. (I cannot tell if this is the case.)

I still feel that the point should be made. Online billing coupled with online payment should save costs for everyone involved, and will no-doubt become much more common practice in the future.

Additional comments: