

Sarah Evans

9 May 2008

Dear Sarah

**Ofcom Consultation – Additional Charges – Scottish Government response**

Thank you for providing us with the opportunity to comment on Ofcom's proposals relating to Additional Charges incurred by customers using communication services.

The Telecoms Policy Unit within the Scottish Government welcomes the consultation and wishes to offer some comments expressing its high-level support of the overall proposals.

Our policy interest in this area partially relates to representations we on occasion receive from parties dissatisfied with the additional charges, in particular the processing fee if not paying by direct debit.

*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. Suppliers of communication services need to be set guidelines by which to develop their contracts. Many providers have tried to make their billing easier for the customer to understand already, without any intervention but it will be a useful tool for those that haven't addressed this as yet.

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

Yes, as the UK regulator it is Ofcom's responsibility to ensure that consumers are given every opportunity to know clearly the details of the contract they engage in for communication services.

*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?*

Yes, due thought and consideration has been applied to each of the terms. Views from the public have been listened to and deliberation of suppliers needs also. The test of fairness appears to be just that.

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

Possibly if refusal to pay the additional charges, whilst paying the rest of the bill, could result in cessation of the service. Maybe guidance on this issue should be clarified for consumer benefit.

*Question 5: Do you agree that three months is an appropriate period during which suppliers can adjust their terms and marketing practices to ensure they are in line with Ofcom guidance?*

Yes.

I hope these remarks are useful.

Yours sincerely

Jo Gwilym  
**Telecoms Policy Team**