

Small / Trivial Bills – Standing Guidance

This document aims, in the interests of the level playing field, to provide standing guidance on the treatment of small and trivial bills under the Metering & Billing Systems Approval Scheme. It applies equally to Approvals under the Oftel Metering and Billing Direction (2003), or the Ofcom Metering and Billing Direction (2008).

If an End-user has a very small Bill in an individual month / quarter, it may not be cost-effective for a Communications Provider (CP) to go through the billing process to collect, say, 5p. In general CPs spend over £2.00 sending out each paper Bill. Similar considerations may apply where on-line (paperless) billing is in use.

Normally, such an outstanding amount would be carried forward to the next Bill, and the Metering & Billing Approval Bodies' Forum considered that this is sensible.

One kind of situation where this arises is an indirect access account, where there are no rental or standing charges, and in a given period very little usage takes place. There are other examples, which can be agreed between the CP and their chosen Approval Body (AB).

CPs may take the view that Bills of up to a few pounds may not be economical to collect and should be carried forward.

Strictly, to meet the requirements of **Clause 5** of the Oftel Metering and Billing Direction, the CPs would need to flag such a carried forward sum in order that it can be prevented from being carried forward a second time. Alternatively the CP would need to apply to Ofcom for dispensation, see **Clause 5.3** of the Oftel Direction. In the Ofcom Metering and Billing Direction, clause A3.4.7.4 contains similar requirements.

It was never the Regulator's intention to force such complexity on CPs. Therefore it is necessary for ABs to apply some interpretation to the requirements in respect of the carrying forward of small sums.

The ABs should take into account the CPs' billing system capabilities and the End-user profiles in deciding what should be the upper limit on carried forward sums. Rather than applying to Ofcom per occasion, it is sufficient for CPs to record the details in the SUS or another suitable document agreed between the CP and AB.

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