

## Memorandum of Understanding between Ofcom and Metering Billing Approval Bodies

**Ofcom has overall responsibility for regulating metering and billing by communications providers. BABT, BSI and Enigma QPM are approved auditors appointed by Ofcom to carry out assessments of communications providers' compliance with the Metering & Billing Direction.**

### GOVERNANCE

Ofcom has responsibility and accountability for the regulation of billing accuracy under the terms of the Communications Act 2003.

- Ofcom recognises BABT, BSI and Enigma QPM as its Approval Bodies, designated to deliver the day-to-day regulation of the market by applying the Metering and Billing Direction. Regulatory strategy, scope and policy are developed in dialogue with the Approval Bodies, but final decisions will rest with Ofcom.
- Ofcom and the Approval Bodies will work together to ensure that a consistent and coordinated approach is taken in assessing and monitoring Communication Providers' compliance with the Metering and Billing Direction adopted by Ofcom on 31 July 2014 (the Direction).
- The Approval Bodies will have the following additional specific functions:
  - To carry out and notify Ofcom of CPs seeking and gaining approval under the Direction
  - Using their expertise acquired through its proximity to the workings of the sector, to make recommendations to inform Ofcom's policy making with regard to the Direction
  - To ensure mechanisms are in place for adjudication of suspected breaches of the Direction;
  - To ensure effective governance exists between the Approval Bodies and provides for delivering consistency of approach and of decision-making as appropriate
  - To maintain and publish a list of anonymised issues raised in AB audits to further assist compliance to the Direction and share common solutions to identified risks to benefit CPs
  - To ensure Ofcom is regularly updated through quarterly meetings (or more frequently if required) on the monitoring of CP's TMBSs to ensure consistent application of the Direction To chair six monthly meetings of the open Meeting and Billing Approval Body Forum (MABABF) meetings with industry stakeholders in relation to metering and billing matters
- A senior Ofcom colleague will become the sponsor for the relationship with the Approval Bodies. The sponsor will have observer status at meetings of the Approval Body Metering and Billing Forum.



## **POLICY MAKING**

- It is for Ofcom to agree/approve the scope and strategic approach to regulation.
- It is for Ofcom to make, modify or withdraw the requirements of the Direction.
- It is for the Approval Bodies to make proposals on any required amendments to the Direction in close development with Ofcom.
- It is for Approval Bodies to evaluate compliance with the Metering and Billing Direction on a day-to-day basis.
- It is for the Approval Bodies to inform Ofcom in a timely fashion of any policy issues arising from application of the Direction.