

**Additional comments:**

**Question 1: Do you agree with the consumer harm identified from Communications Providers? ability to raise prices in fixed term contracts without the automatic right to terminate without penalty on the part of consumers?:**

Yes the ability clearly make competition over price difficult if the providers can increase the price during a contract and consumers are only allowed to shop around at the end of a contract.

**Question 2: Should consumers share the risk of Communications Providers? costs increasing or should Communications Providers bear that risk because they are better placed to assess the risks and take steps to mitigate them?:**

Communication providers should bear this risk as they can predict the costs better. If increases are known at time of sale such as inflation based increases these should be made known to the consumer at the time of sale otherwise contract should be deemed to be misold, allowing customer to cancel.

**Question 3: Do you agree with the consumer harm identified from Communications Providers? inconsistent application of the 'material detriment' test in GC9.6 and the uncertainties associated with the UTCCRs?:**

Yes. perhaps Ofcom/ OFT should propose guidelines limited to inflationary increase. (e.g. 3% per year) and insist these are notified to the customer clearly at the point of sale.

**Question 4: Should Communications Providers be allowed (in the first instance) to unilaterally determine what constitutes material detriment or should Ofcom provide guidance?:**

Provide guidance, see above. If providers want to take advantage of the guidance this fact should need to be notified to customer at point of sale.

**Question 5: What are your views on whether guidance would provide an adequate remedy for the consumer harm identified? Do you have a view as to how guidance could remedy the harm?:**

**Question 6: Do you agree with the consumer harm identified from the lack of transparency of price variation terms?:**

Yes. as above, if they want to vary to price this should be notified to the consumer when a quote is given. without this information how can a consumer pick the best option from the competition.

**Question 7: Do you agree that transparency alone would not provide adequate protection for consumers against the harm caused by price rises in fixed term contracts?:**

This would depend on the state of competition in the marketplace. Hopefully transparency would lead to providers not varying contract as a selling point.

**Question 8: Do you agree that any regulatory intervention should protect consumers in respect of any increase in the price for services provided under a contract applicable at the time that contract is entered into by the consumer?:**

**Question 9: Do you agree that any regulatory intervention should apply to price increases in relation to all services or do you think that there are particular services which should be treated differently, for example, increases to the service charge for calls to non-geographical numbers?:**

Obviously service charge would affect most consumers more.

charging for other call on the basis of costs not related to those calls shouldn't be allowed. this would increase charges to the customer by proxy.

**Question 10: Do you agree that the harm identified from price rises in fixed term contracts applies to small business customers (as well as residential customers) but not larger businesses?:**

I would like to see small business included in future regulation, say with turnover up to £1.5 million or 50 employees.

**Question 11: Do you agree that any regulatory intervention that we may take to protect customers from price rises in fixed term contracts should apply to residential and small business customers alike?:**

yes

**Question 12: Do you agree that our definition of small business customers in the context of this consultation and any subsequent regulatory intervention should be consistent with the definition in section 52(6) of the Communications Act and in other parts of the General Conditions?:**

**Question 13: Do you agree that price rises due to the reasons referred to in paragraph 5.29 are outside a Communications Provider's control or ability to manage and therefore they should not be required to let consumers withdraw from the contract without penalty where price rises are as a result of one of these factors?:**

I think the provisers are large enough company's to be allowed to suffer for their mistakes. If the market place was full of many providers of much smaller size I might have a different view.

**Question 14: Except for the reasons referred to in paragraph 5.29, are there any other reasons for price increases that you would consider to be fully outside the control of Communications Providers or their ability to manage and therefore should not trigger the obligation on providers to allow consumers to exit the contract without penalty?:**

No

**Question 15: Do you agree that Communications Providers are best placed to decide how they can communicate contract variations effectively with its consumers?:**

Yes. though sometimes they could be clearer.

**Question 16: Do you agree with Ofcom?s approach to liaise with providers informally at this stage, where appropriate, with suggestions for better practice where we identify that notifications could be improved?:**

**Question 17: What are your views on Ofcom?s additional suggestions for best practice in relation to the notification of contractual variations as set out above? Do you have any further suggestions for best practice in relation to contract variation notifications to consumers?:**

I think services bundled with phone contracts such as pay TV should be included.

**Question 18: What are your views on the length of time that consumers should be given to cancel a contract without penalty in order to avoid a price rise? For consistency, should there be a set timescale to apply to all Communications Providers? :**

3 Months from notification.

**Question 19: What are your views on whether there should be guidance which sets out the length of time that Communications Providers should allow consumers to exit the contract without penalty to avoid a price rise?:**

yes there should be guidance.

**Question 20: Do you agree that this option to make no changes to the current regulatory framework is not a suitable option in light of the consumer harm identified in section 4 above?:**

**Question 21: Do you agree with Ofcom's analysis of option 2? If not, please explain your reasons.:**

**Question 22: Do you agree with Ofcom's analysis of option 3? If not, please explain your reasons.:**

**Question 23: What are your views on option 4 to modify the General Condition to require Communications Providers to notify consumers of their ability to withdraw from the contract without penalty for any price increases?:**

**Question 24: Do you agree with Ofcom's assessment that option 4 is the most suitable option to address the consumer harm from price rises in fixed term contracts?:**

**Question 25: Do you agree that Ofcom's proposed modifications of GC9.6 would give the intended effect to option 4?:**

**Question 26: What are your views on the material detriment test in GC9.6 still applying to any non-price variations in the contract?:**

**Question 27: For our preferred option 4, do you agree that a three month implementation period for Communications Providers would be appropriate to comply with any new arrangements?:**

**Question 28: What are your views on any new regulatory requirement only applying to new contracts?:**