

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?:

Absolutely.

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?:

No - the providers should know the risks, and should factor that into their business model, in the same way that every other business does.

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

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

Ofcom should provide clear guidance, rather than letting the providers decide. Any leeway will be bad for the consumer.

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

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?:

Yes

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?
:

Yes

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?:

It should apply to all services

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?:

No. The harm applies to residential customers and small businesses in a similar proportion. Larger businesses are still impacted, but they have a better ability to absorb the increases. However, that does not mean that larger businesses are not affected.

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?:

Absolutely, 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?:

Yes

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?:

No. I agree that they are outside the provider's control, but they still form factors where a consumer should have the right to withdraw from the contract. Although the increase is outside the control of the provider, there can still be some direct harm to the consumer which could be avoided.

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?:

No

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?:

No - formal guidance and instruction is required

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?:

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? :

A consistent timescale for all providers should be adopted. This should be no less than 30 days. Shorter time periods allow for providers to wriggle out of their obligations - if a price increase is timed during peak holiday times, with a short period to terminate, then the chances of consumers being able to shop around and make the decision to leave becomes negligible.

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?:

Ofcom should specify a minimum time period, rather than just have guidance. Minimum of 30 days.

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?:

Yes - it is completely unsuitable

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

Yes

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

Yes

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?:

Agree completely - if I could have left my contract last year when the price was increased, I would have done.

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?:

Yes

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

Yes

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

Not sure.

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?:

I don't understand why it would take that long to implement, to be honest. The decision to increase prices isn't something which is taken by a large number of people requiring training - it's a smaller group who can be trained to understand the implications in a shorter time period than three months.

I fear that giving a three month implementation period allows providers to "encourage" consumers to adopt a new long-term contract before the new rules apply.

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

I disagree - the new requirements should apply to contracts which still have a given period to run (for example, at least 12 months).

The argument that providers seem to put forward for an increase is that they are unable to predict their costs and so need to increase the prices. If the contract has over a year to run, then they should not be allowed to change the prices without allowing users the option to terminate without penalty.