

## **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. It is bizarre that consumers sign up to contracts at a stated price for a given period of time where the Providers can change prices at will but the consumer has little scope to get out of the 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?:**

If the gas, electricity and insurance industries can sign consumers up to fixed price agreements and manage the risk without altering prices, there should be no excuse for Communications Providers not to be able to do the same thing.

It should be remembered that consumers already take a risk themselves when signing up to phone or broadband agreements as it is often the case that a new deal will come along within weeks or months that is better value than what they have signed up to be locked in to.

**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?:**

I don't really understand this question

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

I don't really understand this question

**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?:**

Guidance alone is not enough.

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

Yes. I think that given the examples of insurance, mortgages and utility companies where products are offered for a set price or rate for a set time and those terms are kept to, consumers automatically assume that the same rules apply to Communications Providers. When they discover this is not the case by increased prices, they are harmed.

**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?:**

No - for the reason given in question 6. If the contract is fixed term, the price should be as well.

**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 price rises.

**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 imagine that larger businesses are able to negotiate their own deals but small businesses are in much the same boat as residential customers.

**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?:**

I'm not a small business expert so I have no view on this.

**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?:**

VAT is the only factor that should be able to change the price of the contract.

**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?:**

See question 13.

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

They should be but probably are not.

**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?:**

Yes.

**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 have no views or suggestions on this.

**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? :**

If a Communications Provider raises the price of a contract it should automatically nullify the contract, therefore giving the consumer the right to leave whenever they choose.

**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?:**

See question 18.

**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?:**

It should apply retrospectively to all contracts.