

Additional comments:

I signed up to a two year contract in November 2011 with Orange at £41 / month. I have received a letter from EE saying that my contract will increase in cost from April 2013. I signed a two year contract that I am not allowed to come out of without penalty however EE have increased the cost and I see this as a breach of contract on their part. I was not informed of potential price rises during my contract term and this is the first time that I have ever known this to happen (apart from when VAT increased to 20%). I would like to terminate my contract early due to this price rise however cannot afford the penalty charges that I will receive and so am caught. This is not a fixed term contract for price and this should have been made crystal clear to me when I signed on the dotted line.

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?:

No, if providers increase costs and the consumers were not made aware of this at the time of signing then there should be no penalty. The potential of an increase in cost should not be hidden in the small print but should be clear with the contract plan of costs/number of minutes/text etc.

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?:

New customers should share the communications providers costs not existing ones who are already signed up to contracts. There is the potential that any increases could be exploited by mobile providers promising cheap deals then increasing the costs during the contract.

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?:

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

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, prices could increase considerably and could leave some customers being unable to afford their monthly prices plans. People may have budgeted a certain amount and with prices increases, this could increase personal debt. If contract price hikes occur mid-term,

could this then lead to reduction in contract minutes / texts resulting in larger mobile phone bills for customers.

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?:

It will be hidden in the small print. If there is an increase in costs or reduction in bundles, customers should be able to leave the contract mid term without penalty.

**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?
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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?:

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?:

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?:

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?:

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?:

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

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?:

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? :

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?:

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?: