

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

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?:

The risk of price increases should be born by the Provider, whereas the risk of price reductions should be born by the consumer. This is the basis of a true 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?:

Yes

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

What constitutes material detriment should be clearly determined by Ofcom within hard limits.

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 cannot remedy the consumer harm, it must be used to prevent it in the first place.

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?:

No, transparency alone would still allow the practice to continue with all providers using similar terms and phrases. Thus the consumer would have no choice.

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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A very big 'YES'. Clear regulation is needed to outlaw the practice.

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?:

Regulation should be applied to the whole of the contracted pricing structure.

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. This practice harms all consumers similarly.

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. All fixed term contracts should be set in stone at the outset without the possibility of variation over time.

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. Any change in the contract conditions should allow the consumer to withdraw without penalty.

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, but variations should only occur at the end of a fixed term contract.

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?:

How would the providers respond to this approach - the term as slippery as an eel comes to mind! The practice should be completely banned.

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?:

There is no other satisfactory method than making it a contractual offence to vary prices or other conditions during a contract.

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? :

There should be a standard 4 week term across all 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?:

For clarity and simplicity the term should be set by regulation.

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?:

Agreed

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

This option would not improve the current position for the consumer.

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

Option 4 is preferred to option 3

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?:

Option 4 is the only option that will give the consumer full protection from price rises.

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?:

Although this is the best option, it would be preferable for a fixed term contract to have all its terms, including the pricing structure, fixed for the term of the contract. There may be a small number of unavoidable price increases that are outside the control of providers, but these need to be approved by Ofcom with the consumer having the right to withdraw.

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

I don't think it will give the effect that would most benefit the consumer.

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

A contract is a contract and all terms should be fixed.

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?:

It should apply immediately to all new contracts and within 2 months for all existing contracts..

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

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