

### **Additional comments:**

I believe that Ofcom is right to be looking to implement these changes. These changes should be a deterrent to Communication Providers to stop them putting up mid-contract prices.

### **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?:**

I agree that the consumer suffers from the price increases and should be allowed to exit the contract at no extra cost to the consumer

### **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?:**

Communications Providers should factor in any expected risk when pricing their contracts. The consumer signs up to the contract based on the price at the time and should not be liable for the Providers increased costs.

### **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?:**

Any increase in the monthly bill of the consumer is of material detriment and should therefore be reason to be allowed to leave the contract at no extra cost.

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

Material detriment should not be taken into consideration. Any price rise should allow the consumer the option to leave the contract. If this is to be kept then Ofcom should determine the wording around this and not the Communications Provider

### **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?:**

It depends in what form the guidance is issued.

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

Many consumers do not read the small print of the contracts that are provided so instead it should be the Communication Providers responsibility to clearly identify the potential increases and the maximum impact this will have over the fixed term.

**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?:**

Transparency is not enough. All Communication Providers will at this clause and it will then allow them the freedom to increase the price when they like by how much they like. There needs to be a method that stops them increasing the price at all.

**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? :**

I completely agree with this. The consumer needs protection from large Communication Providers using the increase clause of contracts to make more money over the term of the contract. They know the period at the start of the contract and should honour the original price.

**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?:**

I believe that the regulatory intervention should only apply to the monthly contract charges and not to the call charges. Call charges should be allowed to fluctuate within a set tolerance, with justified reasons.

**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 believe that the harm identified from price increase applies to small business customers and large businesses. Large businesses do have a greater scope to be able to manage the increases and have greater negotiation power to reduce prices but if the contract length is greater than a year then they should not be subject to multiple increase year on year. Small businesses and individuals cannot cope with these increases and should not have to continue in the contract if it does increase.

**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?:**

I agree that both should be equally protected.

**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, I agree

**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 company needs to manage the initial contract pricing better and therefore all increases are within their control and they should absorb these increases as a business cost and charge this back in new contracts taken out.

**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?:**

Any increase in the contract price should trigger the an exit option, without exception.

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

I believe Ofcom should set out guidance on how increases are communicated to the 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?:**

The approach should be formally laid out to ensure it is followed by all Providers as soon as possible

**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?:**

This should be clearly marked with the initial price notification. They should also set out a guide if the price increases in line with the maximum allowed amount.

**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? :**

As long as the communication method ensures the consumer receives the notification then a 1 month period would be acceptable. This should be consistent 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?:**

There should definitely be guidance issued to enforce this time period.

**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?:**

It is not suitable to make no changes to the regulation and something has to be introduced as soon as possible.

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

I agree with the analysis but do not believe it is the best option

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

I agree with the analysis but do not believe it is the best option

**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?:**

I feel that option 4 provides the consumer with adequate protection from unexpected price rise during the term of their contract.

**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?:**

Option 4 is the most suitable option

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

I believe the proposed modifications do provide the consumer the correct protection, as long as this is enforced and monitored to ensure the Communication Providers apply this.

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

This would need to apply to ensure that Providers do not seek to reduce other terms, i.e. reducing inclusive minutes, data or texts.

**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?:**

3 months gives them enough time to comply

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

I believe this should apply to all contracts in issue at the moment not just new contracts