

## **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?:**

The provide should not allow to modify the contract terms during a contract period including any price rise or other nature.

**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 purpose of a fixed term contract is to avoid any risks associated with price rise or nature. It is not evident why Ofcom has included a question seeking whether a consumer is willing to accept risk. If so, then there is no need to have a fixed 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?:**

It is apparent that Providers are using GC 9.6 test as a smoke screen to increase their revenue. The Mail (1/3/13) has reported that Orange is expected generate around £52m revenue which is not material detriment.

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

it is the Ofcom role as a regulator to determine what is material detrimine

**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?:**

Guidence need to be clear and should not be any ambiguity on a fixed contract ie including price rise for inflation or other nature.

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

Yes but Ofcom has failed to identified it on time and has taken many months to act on it.

**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. It is the role of Ofcom which also has powers to regulate what a fixed term contract means.

**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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Yes. This is an essential part of the contract.

**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?:**

Regulatory intervention should be applied to all fixed term contracts

**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?:**

The harm is for all customers including SMEs but the impact is more on residential customers because the SMEs pass on any price rise to 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?:**

Should be a balanced approach to protect all customers. The best way to do this is to have a legal basis to stop any price rise

**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?:**

Content

**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 - It is wrong to assume that the providers and customers are in a position to control events outside their control. That is the reason to have a fixed term contract. The risk goes

both ways ie inflation could up or down and I have not seen a provider is willing to reduce the cost because of inflation reduction. Have you?

**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?:**

NO - this should be a joint role for consumers and regulator

**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?:**

it appears that Ofcom has done it in the past behind closed doors. It has also declined to share the information with consumers.

Furthermore, Ofcom has failed to stop any further price rise with Orange & T-mobile. It is not transparent what Ofcom has achieved so far,

**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 should not be any variation during contract period

**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? :**

3 months (or 90 days). one month is not enough to find an alternative provider and a person could be on holiday for a month and will not have time to asses the impact timely

**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?:**

Yes - 3 months

**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?:**

No

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

This is not a prudent wayforward

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

A sensible way to address the issue is Opt-in.

In the absence of Opt-in, there will be no price rise which need to be transparent

**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?:**

This is an option as a last resort.

As said, one month notice is not sufficient time to find a suitable alternative provider. It does not provide any guarantee to customers that the costs would same with other provides.

This option is not better than the present situation but not suitable for customers need or expectation.

**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?:**

NO -

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

where is the evidence that consumer will not pay more by leaving a provider

**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 need to be revisited and not easy to test. It has a wider interpretation. this need to defined.

**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?:**

This should be subject to that there is no price rise during that three months.

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

It should applied to all live contracts otherwise what is the point of this consultation and what about 50 million customers next 24 months.

It seems that Ofcom has missed to identify the prime concern from public!!