

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, I do agree with this. Having been caught out by Three Communications in this regard - I feel that providers who wish to apply price increases mid-term must offer the consumers a penalty free exit clause.

This is especially relevant as my communications provider was offering new customers a better rate than existing customers who had just suffered a near inflation mid term increase.

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 honour the original price for any contract that exists for the duration of that contract.

Any price increases should be borne by the Communications Providers either by better strategic planning or by increasing new customers price offerings.

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 feel that any mid term price increase could be associated with an impact of material detriment so yes, there is consumer harm.

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

Ofcom should provide guidance but related to the response to Q4 above, any price change mid-term should be classified as material detriment to a consumer and should be prohibited.

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?:

I feel that guidance should be offered and an insistence made by Ofcom that Communications Providers have to honour the term of a consumer contract and to not harm that consumer by increasing the price of a contract mid term.

Guidance should also be offered to allow the Communications Provider the ability to remedy

consumers who have been affected by the mid term price increases by suggesting rebates for those affected customers still within their contract period.

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

Yes I do agree - once again, the change was buried within the terms and conditions. There has been a lack of transparency and linked to the questions above - what constitutes material detriment should be clarified.

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?:

I feel that if the Communications Providers are made aware that they cannot increase pricing mid term, and provide a guarantee of this condition then the transparency would not be required as the consumer would know that the price is not going to increase.

**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 I do agree - the regulator should protect consumers.

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 feel that intervention should be applied to all contract pricing associated with a Communication Provider for the duration of that consumers term.

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?:

This should apply to all consumers.

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, This should apply to all customers.

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, this should be consistent

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 agree, tax implications are outside the control of the Communications Provider except for whereby the Communications Provider passes on any element of other taxation to the consumers - for example, an increase in corporation tax or environmental tax.

VAT should be the only permitted tax change.

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?:

There should be no other reasons for price increase which are not already known and foreseen by the Communications Provider.

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

YES, they are best placed to communicate this but Ofcom guidance should be offered to simplify the manner in which it is written.

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, an informal approach should be taken.

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?:

Best practice would be for the consumer to be made aware when they take out a fixed term contract that the price which the consumer agrees to will not change throughout the lifetime of the fixed term. Where a consumer retains the contract beyond the length of the fixed term

(minimum term) then the Communications Provider has the right to change the price and notify the consumer accordingly.

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? :

Communications provider must give 60 days notice of intention to change price.

Consumer must respond to notification within 30 days of notification date to cancel a contract without penalty.

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 the response to Q18

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?:

I agree, change has to be made.

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

I disagree with this analysis - consumers are already presented with a wealth of information at point of sale - the option should be to prevent price rises for the duration of the fixed term contract.

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

Yes, this appears to be straightforward

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 agree with the approach suggested by Ofcom.

Communications Providers should not be permitted to increase the pricing without allowing the consumer to be able to withdraw from the contract without penalty.

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?:

Yes, again, this seems to be the most sensible approach.

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

It would as long as Communications Providers are not permitted from making unreasonable demands on equipment provided as part of the deal.

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 is a good approach.

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?:

I agree that a 3 month implementation period is sufficient for the Communications Providers to comply with the new arrangements.

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

This should apply to any user who has been impacted by a price change and is still within the minimum contract period and applied retrospectively.

For example, a user who was 8 months into a 24 minimum term contract and then had a subsequent contract price increase should be given the option of cancelling the contract without penalty or should be offered the option of having the contract price difference refunded by way of a rebate for the duration of the remainder of the term with any price increase taking effect at the minimum term. All consumers would then be treated in the same manner.