

Your response

Question	Your response
<p>Question 1: Do you agree that we should amend the guide in the ways suggested? If not, are there any alternative options you think we should consider? Please provide evidence supporting your views, including any research you have conducted or have access to</p>	<p>Confidential? N</p> <p>Yes although I note that the consultation recognises implicitly that arrears for vulnerable customers are an aspect of financial vulnerability (as set out by the FCA in its guidance which also covers Ofcom regulated firms as credit providers) you do not seem to have engaged directly with the FCA as the overarching regulator in the consumer credit area nor have you tested your guidance against theirs (although I recognise commonality of approach) I also notice that while you mention a range of debt charities whom many vendors engage with, you do not include any engagement by Ofcom with these charities or include their input to the development of the consultation, which seems an oversight</p>
<p>Question 2: Do you agree that we should amend the guide in the ways suggested? If not, are there any alternative options you think we should consider? Please provide evidence supporting your views, including any research you have conducted or have access to.</p>	<p>Confidential? –N</p> <p>Yes although I would urge Ofcom to tighten up its guidance by for instance requiring vendors to hold registers of potentially vulnerable customers and to provide guidance on methods by which they could do so, perhaps in liaison with other regulators such as the FCA so that the vendors are incentivised to benefit from a common “safe harbour “ approach</p> <p>I am not clear whether or what consequence follow for vendors for ineffective following the guidance and perhaps the consultation should have included something on that – in particular I would suggest that vendors onward sale of debt is a source of potential harm to customers and is not either as sale or as collection regulated by Ofcom and is only weakly regulated by the English Insolvency Service (see Association of British Credit Unions https://www.abcul.coop/viewdocument/insolvency-service-reform-of-the and research o social impact of debt at</p>

	<p>https://www.centreforsocialjustice.org.uk/wp-content/uploads/2018/03/BB_debt.pdf</p> <p>Debt collection can involve tracing customers several years after the commercial relationship with the vendor has ended and neither the customer nor the new debt owner may be in possession of any detail putting the debtor in a particularly weak position to dispute the debt.</p>
<p>Question 3: Do you agree that there should be more consistency in the way in which providers seek to effect payment from customers in debt? If so, how do you believe this could be achieved most effectively? Please provide evidence supporting your views, including any research you have conducted or have access to</p>	<p>Confidential? – N</p> <p>As someone with some experience in debt collection I would consider that they do an OK job but that debt collection as a function tends to have tunnel vision which is why it requires careful governance from within firms and the consultation did point to good practice among many vendors (one seems to be an outlier which hopefully means they receive greater scrutiny from Ofcom as they may be exploiting a non-prime customer base – see FCA research on this topic over many years although your consultation does not advert to this possibility nor provide a general customer segmentation along income distribution lines – you might usefully commission one of the debt charities to look into this for you</p>
<p>Question 4: Do you agree that we should amend the guide regarding the provision of information about measures to support customers? If not, are there any alternative options you think we should consider? Please provide evidence supporting your views, including any research you have conducted or have access to.</p>	<p>Confidential? – N</p> <p>Yes , realising this is a journey it demonstrates your commitment to the vulnerable customer area and doubtless prevents the CMA entering the area with their heavy boots</p> <p>Given that the vendors are (apart from sales through phone shops) exclusively online and that to obtain cost effective packages you have to be a digital customer, it is in the vendors interests to maintain customer digital access. It may be that with banks and many sales moving to online a future government will mandate specific licence conditions to ensure minimal access to the poorer population and it would be in the interests of both Ofcom and the vendors that practices in this area avoid horror documentaries and the dreaded political judgement“ not fit for purpose”</p>