

Citizens Advice Scotland's response to Ofcom's consultation on Prohibiting inflation-linked price rises

Background

Citizens Advice Scotland (CAS), our 59 member Citizen Advice Bureaux (CAB) and the Extra Help Unit form Scotland's largest independent advice network. The Citizens Advice network in Scotland is an essential community service that empowers people in every corner of Scotland through our local Citizens Advice Bureaux (CAB) and national services by providing free, confidential, and independent advice. We use people's real-life experiences to influence policy and drive positive change. We are on the side of people in Scotland who need help, and we change lives for the better.

Over the past year, the Scottish Citizens Advice Network has supported consumers impacted by the cost-of-living crisis; and used evidence and insights from this work to support colleagues across the telecommunications sector to deliver positive outcomes for consumers. Data from the Citizens Advice Network in Scotland has shown that affordability is a top priority for telecommunications consumers; as well as protections for vulnerable consumers; and connectivity resilience and choice for consumers in Scotland's rural and island communities.

Questions:

Question 3: Do you agree with our assessment of the consumer harm arising from inflation-linked price variation terms? We invite evidence from respondents on the matters addressed in section three.

CAS agrees with Ofcom's assessment of the consumer harms arising from inflation-linked price variation terms. CAS agrees entirely with Ofcom's analysis as set out in section 3 of the consultation document, with the research presented by Ofcom and colleagues within the consumer advocacy sector showing that consumers experience significant detriment arising from inflation-linked price variation terms. The Citizens Advice Network in Scotland has consistently supported clients in navigating complex language in relation to consumer goods and services, with many advisers highlighting to CAS that consumers struggle to make informed purchasing decisions as a result of complex language to describe products and services throughout regulated markets.

Question 5: Do you agree with our proposal to require providers to ensure that the following information is drawn prominently to the customer's attention in a clear and comprehensible manner before a customer is bound by a contract: i) the Core Subscription Price; ii) if the Core Subscription Price is to change during the Commitment Period, that changed Core Subscription Price, in pounds and pence; and iii) the date from which any changed Core Subscription Price shall have effect?

CAS agrees entirely with Ofcom's proposal to require providers to ensure that the information detailed in Question 5 is drawn prominently to the customer's attention in a

clear and comprehensible manner before a customer is bound by a contract. CAS believes that such information, when clear and accessible, will allow for consumers to make greater informed decisions prior to signing a contract. CAS believes that this information will prove vital in assisting consumers navigating the telecommunications market in an environment in which the cost-of-living remains a burden.

Question 6: Do you agree with our proposal to require providers to include in the Contract Summary: i) the Core Subscription Price; ii) if the Core Subscription Price is to change during the Commitment Period, that changed Core Subscription Price in pounds and pence; and iii) the date from which any changed Core Subscription Price during the Commitment Period shall have effect?

CAS agrees entirely with Ofcom's proposal to require providers to ensure that the information detailed in Question 6 is included in the Contract Summary for the same reasons as stated in our response to question 5.

Question 7: Do you agree with our proposal to require providers to include in the Contract Information: i) if the Core Subscription Price is to change during the Commitment Period, that changed Core Subscription Price in pounds and pence, and ii) the date from which any changed Core Subscription Price during the Commitment Period shall have effect?

CAS agrees entirely with Ofcom's proposal to require providers to ensure that the information detailed in Question 7 is included in the Contract Information for the same reasons as stated in our response to question 5.

Question 8: Do you agree with our proposed additions and amendments to GC C1 (see detailed amendments in annex 5)?

CAS agrees with Ofcom's proposed additions and amendments to GC C1.

Question 9: Do you agree with our proposed additions and amendments to existing GC C1 guidance to clarify our expectations on how providers could comply with the new requirements (see detailed amendments in annex 6)?

CAS agrees with Ofcom's proposed additions and amendments to existing GC C1 guidance. We believe that this guidance is more than sufficient for providers to understand Ofcom's expectations and how they should comply with the new requirements.

Question 10: Do you agree with the proposed implementation period of four months from publication of the statement and the changes to GC C1 and guidance?

CAS agrees with Ofcom's proposed implementation period of four months from publication of the statement and the changes to GC C1 and guidance. We appreciate that providers would require such a time period to ensure that their contract information, points of sale and language is updated. However, CAS would be extremely disappointed if any providers feel that this period of time is not sufficient for them to make such updates and we would remind providers that at present, significant amounts of consumers are struggling to afford their mobile and broadband services.