Additional comments:

The market is distorted by the practice of providing subsidised handsets. If the consumer was required to buy a mobile contract and a handset separately then the handset could be treated as a finance agreement and service provision as a service contract. It might reduce environmental waste, and also reduce complexity in the market. The proportion of the contract which would be subject to price rises would be significantly less and the amount of harm less, potentially offering an alternative approach.

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 agree that the consumer is detrimentally harmed by the provision for the provider to increase the price of contracts within a fixed term. The harm is both a tangible financial amount as well as mental distress.

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 provider should bear the risk, as the consumer has no options. If the communications provider wishes to reduce their risk they should offer attractive contracts with short commitment periods and reduced subsidy on devices.

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?:

The material detriment test does not address the fairness of the rise, and that the consumer may be placed in a position where they can no longer afford the contract but have to pay large penalties to exit. If the contract is a fixed duration with lock in it should be a fixed price.

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 be clearly defined as an increase in cost. The providers are businesses and therefore cannot be relied on to protect a tied in consumer. My service provider would allow me an exit on the price of the contract, but would require the payment of a proportion of the value of the handset, which in some cases is not far off the remaining contract payments.

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?:

The contract should be structured as
x per month for handset
y per month for service
The value of the handset should be clearly identified in the contract. The price increase should only be on the service portion of the contract as the handset does not relate to network operating costs. Therefore actual rises would be much less if related to inflation, as the handset component would be fixed.

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

Absolutely. The terms and conditions are written in a very dense english in small text and poorly explained by sales staff to people who just want to go and buy a coffee and play with their new shiny toy. They do not understand to what they are signing and the clauses in the contract. A standard sheet for all mobile phone contracts should be developed.

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?:

Absolutely. The consumers are not sufficently informed at the point of sale and by the contract as to what their contracts are.

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? :

YES

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?:

All services

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?:

Yes, larger business can set their own contracts

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

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?:

not sure

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. If there is a price rise then the consumer should have the option to leave.

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?:

NO

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

NO. All contract variations must be communicated by letter to the address on the account.

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

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?:

All variations must in a letter to the account holder at the account address

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? :

The timescale should be a minimum of 30 days, unless 30 days prior notice given of the change, when it can be reduced to 14 days after the change.

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

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?:

YES

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

YES

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

YES

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?:

YES

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

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

YES

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

YES

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?:

Only if providers are banned from increasing prices to existing customers in this period. If there is a ban on rises then providers could be given longer to comply.

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

No it shall apply to all contracts as otherwise it will not protect a large proportion of the population for at least a year or s