## 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. You enter a fixed monthly contract for a set period of time. The annual cost is agreed up front with a payment plan over the agreed period. It's not like you can pay the full amount up front to avoid these hidden price hikes. Also there is no mention in TOCs for price drops if the RPI drops, I'm sure they wouldn't reduce the monthly plan.

In fact the RPI has dropped dramatically last year to 2.6% at one point, yet no price changes announced. Since the hike can only be applied to the maximum RPI rate it appears they track the rate and decide to change prices exactly when it's seen to be at it highest. It's a good way to increase that years profits with all those locked into a contract.

Also the RPI was replaced by CPI for a more accurate "consumer" inflation yet is not used instead. Maybe because the CPI tracks lower that RPI.

## 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 consumer cannot be held responsible for the commercial agreements and costs the provider makes. Orange/TMobile rebrand and suddenly a price hike on none EE contracts. They must understand the long term costs of their business/service otherwise how would they value the service for the contract in the first place. It's not like the are guessing how much it costs to run a network.

## 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?:

Yes

## 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. The provider should be required to provide Ofcom a full disclosure of how they believe their costs have risen and by how much rather than them quoting any figure below RPI

## 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?:

Different factors. Say consumer just entered a contract, it should be assumed that contract taken in Jan would have factored costs for next two years and not be subject to price change come April. Also the length of most contracts is 2 years yet they must no be calculating the cost of providing service over 2 years hence the price rise. Ofcom should consult with provider and customers to assess the factors at the time. What if RPI fell for 6 months then rose above the previous higher rate, provider could apply price rise then yet the RPI has been lower for a longer period of time than it was high.

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

Yes. I have three family contracts over 2 networks and was never informed about the providers option to increase costs. Price is never marked as flexible, in most cases I'm told of the "fixed" price.

## 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?:

regulation over price rises is required, transparency can be misleading. The provider could indicate it "may" happen. Yet last three years it "has" happened annually.

Also the limit is only the RPI so how can we know if they plan one or two rises? If RPI goes through to large increases in a year then they could effectively have two price rises. There is no restriction on how many times a year.

## 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. The contract is agreed on the initial provided price. If consumer enters a contract without budgeting the costs then later cannot afford it the consumer suffers. You cannot downgrade plans/packages so are charged fees/termination costs. Yet the provider enters the agreement and without planning to absorb the running costs in the agreed fee then they can raise prices. It's a one sided contract and unfair to consumer

## 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?:

yes. Otherwise the extra money being raised by price rises will be collected by doubling national call rates on the plans. I do not use a landline so rely on mobile for all calls

## 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. Again one sided contract. Upon agreeing a contract with small businesses they should be required to meet the contract obligations included the agreed price

**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?:**

Yes

**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?:**

Yes

**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. Usually hear of increase on internet before provider informs users directly.

**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?:**

No.

**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?:**

No

## 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? :

Yes. In some cases the communication by letter is actually staged over period of weeks to reduce mailing costs. So some consumers have little time to review.

## 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?:

30 days from written confirmation of rise.

## 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?:

Option is not suitable

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

Transparency of possible price changes to a "fixed" monthly contract should be required otherwise it's deceptive selling

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

Option 3 would could confuse consumers and looking back (PPI/CC/etc) it's proven that consumers don;t always get offered the best advice. Also The provider will just make the variable plans much more attractive to attract consumers then apply rises to bring them in line with new higher priced fixed deals. More options will just give them better ways to side step transparency of option 2

## 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?:

With an agreed Ofcom process that controls the rises and validates them then at least the consumer can be protected from "cash grabbing" rises. If the provider can show real need to increase prises and it's an acceptable level then yes they can do it. But otherwise the consumer should be allowed to leave the contract as the original is invalid and the providers new price represents a new contract.

## 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?:

none

## 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?:

Yes

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

No. Previous contracts were taken by consumers under good faith of a "fixed" price