

## Your response

Question	Your response
<p><b>Question 1: Do you agree with the proposed revisions to our guide? Please provide your views with supporting evidence.</b></p>	<p><i>'The Advisory Committee for Scotland advises Ofcom about the interests and opinions, in relation to communications matters, of persons living in Scotland.'</i></p> <p>This response from the ACS to this consultation draws on the knowledge and expertise of ACS members and is informed by our individual experience and through discussion at our meetings.</p> <p>We agree with the proposed revisions to the guide. We believe that the guide is an important tool, allowing Ofcom to highlight and share best practice with providers. We hope that providers recognise and use it as such. It is therefore obviously important that it is reviewed and updated regularly and we welcome this ongoing focus on its content.</p> <p>However, since the original Call for Inputs, we feel it is important to recognise that the world has changed dramatically once again.</p> <p>Whilst still recovering from the pandemic, families across the country are now facing the worst cost of living crisis in decades. This has particular resonance in the Highlands, Islands and rural Scotland where the cost of energy and food is already disproportionately higher than the rest of the country.<sup>1</sup></p> <p>This extra financial pressure is inevitably going to affect family's ability to pay their bills, including their telecom commitments. We found it interesting that just 6mths ago, within one of the responses to the Call for Inputs, there was the suggestion that changes to the guide were not justified as</p>

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<sup>1</sup> <https://www.bbc.co.uk/news/uk-scotland-highlands-islands-60555120>

the proportion of customers in arrears is relatively stable and low.

We fear that this will not be the case now or in the near future. So, whilst the changes outlined in this consultation are welcomed, we also recommend the need for great flexibility within the guide, as we suspect that it may need to be revisited sooner rather than later as the numbers of customers struggling financially becomes much more widespread.

We therefore believe that it is of particular importance that the guide now includes clear references to social tariffs.

Ofcom's suggested addition to the guide:

***Providers should consider offering a social tariff to allow eligible people, such as those in receipt of means-tested benefits, to access communications services at discounted prices. Customers in debt or who are struggling to pay should be told about a provider's social tariff (where available), its eligibility criteria and sign-up process.***

Whilst we recognise that this is definitely a positive addition to the guide, we do not believe that this addition goes far enough. It does not make clear that offering a simple social tariff is now seen as best practice by Ofcom and represents an important way in which providers can help ensure the fair treatment of financially vulnerable customers. In other past communications regarding social tariffs, Ofcom has been stronger in its support for social tariffs

In July 2021, on the publication of that year's report into affordability, Ofcom stated in their press release.

*'Mobile phone and broadband firms must to do more to support people in financial difficulty, or they could face new interventions to better protect customers, Ofcom has warned.... if the telecoms*

*industry does not take sufficient action to address our concerns, we think there would be a strong case for exploring whether mandatory social tariffs would be necessary to fill the gaps in support, alongside other potential options.*<sup>2</sup>

Therefore the language used in the guide we feel should reflect this strength of feeling rather than leaving it up to the providers to ‘consider’ offering them.

We also believe that the guide does not stress enough that, where available, providers should work with consumer bodies and charities to promote the availability of social tariffs. Only 1.5% of those eligible for current social tariffs have taken up the offer. To make a difference consumers need to know about them, understand them and be able to easily change to them.

We recommend that both these points should be more explicit in the guide

We do very much welcome the on-going commitment to monitoring and assessing the extent to which providers treat financially vulnerable customers fairly and the assurance from Ofcom, expressed in the introduction to that guide that:

***‘Should we identify concerns about the fair treatment of financially vulnerable customers in future, it may be necessary to re-assess our approach including considering amendments to our General Conditions.’***

Ofcom’s duty *‘to carry out, publish and take account of consumer research regarding the experiences of consumers of*

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<sup>2</sup> <https://www.ofcom.org.uk/about-ofcom/latest/features-and-news/help-customers-struggling-to-pay-bills>

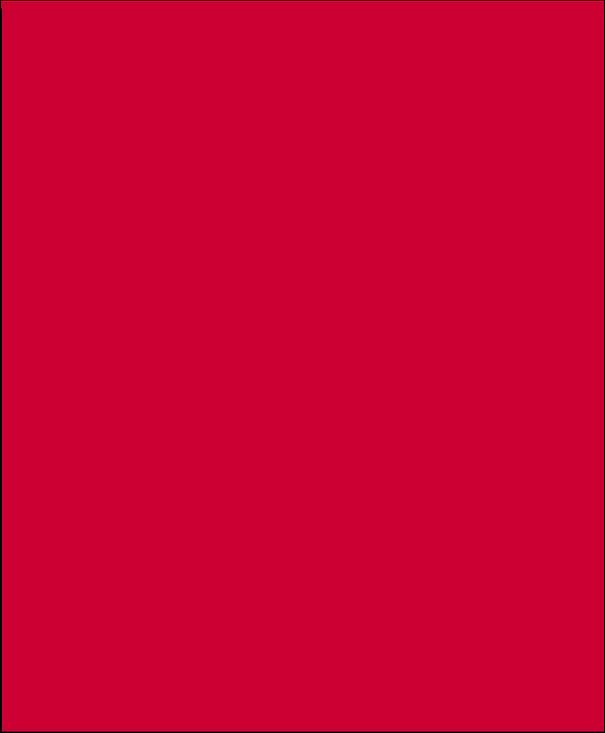
*communications services*’ could not be more important, as the world changes at a terrifying rate. It is absolutely essential that the consumer experience is continually assessed and swift action is taken, if deemed necessary. Families can find themselves financially vulnerable almost overnight and it is therefore important that guidelines and conditions can change quickly in order to keep up.

We agree with the four key areas identified within the guide as those areas that providers can and should adopt best practice.

- ***Identification, engagement and communication with customers in debt or struggling to pay***
- ***Strengthening links with organisations and charities that can provide free debt advice and support***
- ***Measures taken by providers to effect payment***
- ***Measures designed by providers to support customers who are in debt or struggling to pay***

However, we also take this opportunity of reiterating our belief that providers should put the customer at the heart of their support. We believe this will help address communications poverty. Consumers who are financially vulnerable, are more likely to see the impact across a variety of communication services they are signed up to. It is unlikely debt on one account is an isolated incident for that consumer. Financial vulnerability can also come and go as households and an individuals situation changes, so it is of great importance that providers recognise the specific and individual needs of their customers.

This approach is particularly relevant in Scotland where the geographical impact is seen; consumers have fewer choices of supplier initially and are impacted by



communications limitations due to connectivity issues in some rural areas.

We are keen that the guide should reflect this holistic view of consumers and households, helping providers focus on delivering the best service for each customer.

Please complete this form in full and return to [debt.review@ofcom.org.uk](mailto:debt.review@ofcom.org.uk).