

Ofcom consultation:

**Proposals to amend the
guide to help ensure
customers in debt or
struggling to pay are treated
fairly**

Citizens Advice submission

May 2022



Contents

Summary	3
1. Citizens Advice’s debt work	4
2. Ofcom’s approach to guidance and regulation	6
3. Identification, engagement, and communication with consumers in debt or struggling to pay	10
Identification	10
Engagement and communication	11
4. Strengthening links with organisations and charities that can provide free debt advice and support	14
5. Measures taken by providers to effect payment	16
6. Measures designed by providers to support consumers who are in debt or struggling to pay	21
Conclusion	24

Summary

Citizens Advice sees first-hand how a provider's approach to debt and disconnection affects customers who are at risk of disadvantage or harm. Unfair or unsympathetic provider policies can exacerbate existing debts and create new problems for consumers. In contrast, a flexible and tailored approach can help those in debt get back on track.

We welcome Ofcom's continued focus on making sure consumers are treated fairly, and the proposed amendments to its guidance for providers. If followed, the guidance should help responsible providers implement more supportive policies. In particular, it should help firms improve their identification of and engagement with customers in debt, signposting to debt advice organisations, and measures both to effect payment and support customers.

However, we remain concerned about the effectiveness of voluntary guidance. These changes would be a better safety net for consumers if they were backed up by regulation. If providers are able to pick and choose which parts of the guidance they wish to follow, consumers will continue to face a lottery of treatment.

It's now over 15 months since the introduction of the voluntary guidance in July 2020. Yet Citizens Advice continues to see examples of poor provider practice. The patchwork of treatment causes harm to consumers in debt.

It's no longer tenable for Ofcom to wait for the market to solve these issues voluntarily. As households and small businesses face further squeezes in the cost of living crisis, Ofcom must urgently intervene to protect people from unfair treatment when they struggle to pay for their telecoms service.

Ofcom should make it clear that it will not hesitate to take enforcement action where providers fail to meet their obligations. And it should go further by changing the General Conditions so that these consumer protections are backed up in regulation, not just voluntary guidance.

1. Citizens Advice's debt work

- 1.1. Debt is a key driver of Citizens Advice's caseload. In 2021 we helped 282,917 people with their debt problems.¹ No one sees so many people with so many different problems, and this gives us a unique insight into how poor debt policies in regulated sectors harm consumers. We see first-hand how someone's life can be sent off track by an inflexible approach from their telecoms provider.
- 1.2. This submission draws on 3 sources of internal Citizens Advice data:
 - Advice sessions in local Citizens Advice offices with clients who have come to us with issues related to telecoms debt:
 - Random sample of 60 telecoms debt cases with local Citizens Advice between 31 August 2020-1 September 2021
 - 38 telecoms debt cases with local Citizens Advice between 1 September 2021-31 March 2022.
 - Calls to our Consumer Service helpline
 - A random quarter of (250/995) telecoms cases during March 2022.
- 1.3. Ofcom's proposals set out measures providers can take to treat their customers fairly when they struggle to pay. While the regulator's focus is on providers, it is important to remember that **the policies firms adopt have a direct impact on people's lives. When some providers choose not to implement measures to support their customers, people can experience serious harm.**

¹ Citizens Advice, internal data.

2. Ofcom's approach to guidance and regulation

- 2.1. Ofcom's guide on treating customers fairly suggests actions that telecoms providers can, and should, take to protect their customers. If adhered to, this guidance should help providers make sure they are fulfilling their obligations under the General Conditions to treat customers fairly. Overall, we support Ofcom's proposed amendments to the guide.
- 2.2. However, **increased specificity of guidance cannot be the only tool in the armoury against unfair treatment of consumers. We are disappointed that Ofcom has not taken this opportunity to protect consumers through regulation.**

Consumers in debt continue to experience harm 15 months after the guide was first published

- 2.3. Our data demonstrates the real-life, harmful consequences of this variation in practice, such as:
 - Negative impacts on clients' mental health due to the threat of disconnection or being passed to a debt collection agency
 - Clients being unable to contact creditors or support agencies due to service restrictions
 - Clients being trapped on unaffordable payment plans or forced to pay lump sums towards their debt, compromising their other expenses
 - Clients facing frustrating delays to the resolution of their cases due to rigid or unresponsive communication processes
- 2.4. Providers which choose not to meet their obligations to customers do not appear to have faced consequences. And consumers are paying the price for this lack of enforcement.

2.5. Citizens Advice is still seeing examples of poor provider behaviours causing consumer harm almost a year and a half after the guidance was first published. This demonstrates that it's not enough for Ofcom to rely on suggestion and guidance to protect consumers at risk of harm.

Unclear how much of the guide providers should follow

2.6. Ofcom has acknowledged that some consumers receive less support than others depending on their provider, and the regulator has uncovered widespread practices that fall short of the recommendations in its guidance.² This means that **consumers currently face a lottery of support and protection if they fall behind on bills depending on who their provider is.**

2.7. Ofcom says that depending on the nature of the provider, "some may choose to only adopt some of the suggestions while others may choose to adopt most or all of them".³ This leaves serious questions about the status of the guidance. It is unclear how much or how little of the guidance a provider can follow for Ofcom to consider that it has met its fairness obligations. And it leaves questions around which elements of the guidance the regulator views as optional when it comes to the fair treatment of customers.

2.8. **Without clear and enforceable minimum standards, consumers will continue to face a lottery of treatment.** While some providers might adopt all of the guidance, others will be free to take little or no meaningful action to support customers at risk of harm.

Lack of clarity on enforcement of guidance

2.9. Citizens Advice has repeatedly raised concerns about the relationship between the guide and enforcement action being ambiguous. And we have asked the regulator multiple times to clarify this relationship under

² Ofcom, [Review of measures to protect people in debt or at risk of disconnection: Call for inputs](#), 22 July 2021, p4

³ Ofcom, [Consultation: Treating vulnerable customers fairly guide – proposals to amend the guide to help ensure customers in debt or struggling to pay are treated fairly](#), 17 March 2022, para 3.18

the General Conditions.

- 2.10. In our response to Ofcom's initial consultation on the guide in 2019, we argued that the regulator should set out how General Condition C5 would be enforced on the basis of the guide where outcomes for at-risk consumers fell short.⁴ And in our most recent response to Ofcom's call for inputs in September 2021, we asked Ofcom to set out regulatory consequences when providers continue to treat customers unfairly in spite of the guidance.⁵
- 2.11. Ofcom is right to consolidate and expand the positive incentives of the guide, making it easy for firms to do the right thing and treat their customers fairly. But this must be supported by corresponding enforcement action when providers are unwilling to meet their obligations.
- 2.12. We welcome Ofcom's commitment to monitor provider practices, and use this monitoring to inform whether to reconsider its approach of using a good practice guide.⁶ But while monitoring can be a powerful tool for safeguarding consumers, it must be backed up by decisive action in the face of consumer harm. If Ofcom continues to see evidence of poor outcomes for telecoms customers, it mustn't hesitate to investigate and take further action - including through regulation.

⁴ Citizens Advice, [Protecting vulnerable consumers in the telecoms sector - Citizens Advice response to Ofcom's proposed guide for treating vulnerable consumers fairly](#), November 2019, p7

⁵ Citizens Advice, [Response to Ofcom's call for inputs: review of measures to protect people in debt or at risk of disconnection](#), September 2021, para 2.12

⁶ Ofcom, [Consultation: Treating vulnerable customers fairly guide – proposals to amend the guide to help ensure customers in debt or struggling to pay are treated fairly](#), 17 March 2022, para 3.20

Ofcom should protect consumers in debt through regulation to end the lottery of protections

- 2.13. We recognise the need to give providers flexibility, as highlighted by Ofcom.⁷ But **regulation is a floor, not a ceiling**. It is both possible and necessary to set out providers' minimum obligations to consumers, while allowing firms flexibility in their approach to individual customers.
- 2.14. Under General Condition C5.2, providers must "establish, publish and comply with clear and effective policies and procedures for the fair and appropriate treatment of Consumers whose circumstances may make them vulnerable".⁸ If Ofcom takes the view that providers which ignore some or most of its guidance are behaving unfairly to consumers, then it must be willing to take action in line with the General Conditions.
- 2.15. **If the General Conditions don't currently allow for enforcement action against this kind of unfair behaviour, Ofcom should amend the Conditions themselves, rather than the guidance alone.**

⁷ Ofcom, [Consultation: Treating vulnerable customers fairly guide – proposals to amend the guide to help ensure customers in debt or struggling to pay are treated fairly](#), 17 March 2022, para 3.18

⁸ Ofcom, [General Conditions of Entitlement](#), 4 January 2021, C5.2

3. Identification, engagement, and communication with consumers in debt or struggling to pay

- 3.1. We are pleased Ofcom recognises that consumers in arrears are likely to be at increased risk of harm or disadvantage, and that providers should take an inclusive approach to raising awareness of the available support.

Identification

- 3.2. Ofcom's pricing review found that only 1.2% of broadband customers are flagged as vulnerable, and recorded as being disabled or having a mental health problem.⁹ Yet in the most recent Government Family Resources Survey, 22% of people (including 21% of working-age adults) reported having a disability, defined as "a physical or mental impairment that has 'substantial' and 'long term' negative effects on their ability to do normal daily activities".¹⁰ Disability should not be directly conflated with vulnerability, and is only one of the different characteristics that can make someone more likely to experience harm. But the extreme disparity of these figures indicates there is a big gap in the identification of broadband customers at risk of harm.
- 3.3. In the 38 cases of telecoms debt between 1 September 2021 and 31 March 2022, 76% of clients with telecoms debts reported being disabled or having a long-term health condition. And among the cases we analysed, clients frequently reported being on low incomes or in receipt of benefits, or struggling with life events such as a job loss or leaving an abusive domestic relationship.
- 3.4. While the guide acknowledges that consumers in arrears are likely to be vulnerable, the onus remains on the consumer to inform their provider

⁹ Ofcom, [Helping consumers get better deals: Review of pricing practices in fixed broadband](#), 28 July 2020, para 3.32

¹⁰ Department for Work & Pensions, [Family Resources Survey: financial year 2020 to 2021](#), 31 March 2022

that they are facing disadvantage or harm.

- 3.5. And even where a consumer asks for additional support, our analysis of Citizens Advice data shows that providers are not always responsive.



Ellen¹¹ is disabled and on a low income, and has built up around £400 of debt with her broadband provider despite asking multiple times for her £200/mth package to be reduced. She says she has informed her provider that she is disabled, but the provider says it has no record of this and insists that she pay £180 to post back her gadgets in order to leave her contract.

- 3.6. **Ofcom should shift the burden of proof from the at-risk customer to the provider.** In particular, providers should not initiate recovery processes until they have taken reasonable steps to establish whether a customer is at risk of harm.
- 3.7. This would bring expectations of telecoms providers in line with the energy sector. Ofgem's supplier licence conditions require firms to "seek to identify each domestic consumer in a vulnerable situation, in a manner which is effective and appropriate", and take this situation into account.¹²

Engagement and communication

- 3.8. Once a provider has identified that a customer is facing disadvantage or harm, it should adapt its communication processes and offer the customer more flexibility and support.
- 3.9. **We support Ofcom's proposed amendment encouraging providers to emphasise the support that is available to customers in all direct communications about payment.** Providers will be more likely to elicit responses from customers in arrears if they offer proactive support,

¹¹ All names used in this response are fictional to protect clients' anonymity.

¹² Ofgem, [Gas Supply Standard Licence Conditions](#), Condition 0: Treating Domestic Customers Fairly, para 0.3 d)

rather than focusing on the consequences of non-repayment or putting the onus on consumers.

- 3.10. Citizens Advice’s industry guide on supporting customers with energy debt also has lessons which could be applicable to the telecoms sector. A key principle is “proactive communications with a supportive tone”:¹³ Communications should be easy to understand, non-judgmental and equip the customer with what they need to access support.
- 3.11. Citizens Advice’s ‘energy hack day’ provides an example of sector collaboration to design better debt and complaints letters for customers. This brought together 45 industry experts for a day of talks and exercises, where attendees were tasked with designing different types of customer letters related to debt and complaints. 96% of attendees said they would be likely to change something in their organisation as a result of the day.¹⁴
- 3.12. It is also important for providers to have a range of available communications channels for consumers. We analysed multiple cases where customers said they had struggled to contact their provider due to difficulties accessing the channels offered.



Derek needed to contact his telecoms provider about his debt. Unfortunately, the telecoms provider has stopped taking telephone calls and instead offers webchat or email. Derek is not IT literate. The telecoms provider does not answer emails for weeks at a time, making Derek's debt issues harder to resolve.

- 3.13. When providers are contacting customers who are struggling to pay, we recognise the benefits of rotating between channels to increase the chance of successfully reaching a customer. However, providers should take customers’ stated communications preferences into account when making contact.

¹³ Citizens Advice, [Supporting people in energy debt: Good practice guide for energy and heat network providers](#), p4

¹⁴ Rachel Mills, [What we learned from our first energy hack day](#), 14 October 2019

3.14. It is positive to see that some providers are willing to work with Ofcom to test the effectiveness of debt communications. It will be important for Ofcom to work with both providers and consumers in these discussions.

3.15. We welcome Ofcom's intention to monitor and test communication channels. However, monitoring must always be backed up by appropriate action where the regulator finds that there is consumer harm. And, as set out in section 2, Citizens Advice is concerned that relying on voluntary guidance rather than regulatory, enforceable minimum standards risks continuing the support lottery for consumers.

4. Strengthening links with organisations and charities that can provide free debt advice and support

- 4.1. People in arrears or struggling with debt are likely to benefit from debt advice. In 2021, 76% of Citizens Advice debt clients said we helped them find a way forward. 49% reported an improvement in their mental health.¹⁵
- 4.2. **We therefore welcome Ofcom’s proposed amendment emphasising that providers should give customers information about free debt advice organisations, and making sure this material is easy to find.** It is important to inform consumers of debt advice, even in shorter messages and at different stages of the arrears journey. Ofcom’s amendment leaves enough flexibility for providers to adapt their communications as they see fit.
- 4.3. We support Ofcom’s proposal that providers should include this information on direct payment communications and in an easy-to-find section of their websites. Customers benefit from being aware of available support before they start struggling to pay.
- 4.4. We also welcome Ofcom’s intention to “make it easy for free debt organisations to represent their clients to providers”.¹⁶ Not all providers have dedicated communications routes to make sure debt advice organisations can contact their collections teams directly. And in a number of the cases we analysed, advisers had difficulties contacting a telecoms company on behalf of their client. In these cases, representatives of the firms refused to speak to Citizens Advice advisers despite them having authority to act on behalf of their clients.

¹⁵ Citizens Advice, [Delivering debt advice during a pandemic: Debt impact report 2020/21](#), p2

¹⁶ Ofcom, [Consultation: Treating vulnerable customers fairly guide – proposals to amend the guide to help ensure customers in debt or struggling to pay are treated fairly](#), 17 March 2022, para 3.62



Faisal has built up over £700 of telecoms debt after being the victim of fraud and financial abuse. He's unable to read and has a mental health condition. Faisal turned to Citizens Advice for support after receiving a court summons for his debt. But his telecoms provider refuses to speak to Citizens Advice on his behalf. The firm's call centre is based outside the UK and staff members are unaware of Citizens Advice and its role.

- 4.5. When telecoms providers refuse to engage with Citizens Advice, this can cause delays to the resolution of cases - creating extra distress for clients as well as additional work for advisers.
- 4.6. **It is important that representatives from debt advice organisations can easily contact providers on behalf of their clients.** This should include being able to speak to providers' collections teams directly, rather than going through customer service lines.
- 4.7. **And, as set out in section 2, Citizens Advice is concerned that relying on voluntary guidance rather than regulatory, enforceable minimum standards risks continuing the support lottery for consumers.**

5. Measures taken by providers to effect payment

- 5.1. **Disconnection is the area that can cause the most significant harm to consumers. It must only be used as a last resort.**
- 5.2. Being disconnected or having service restrictions imposed can have serious repercussions for consumers, such as:
- Being cut off from support networks
 - Being left unable to communicate with other essential service providers
 - Hinder people's ability to manage other debts.¹⁷
- 5.3. Our analysis of advice sessions showed cases where clients felt pressured into paying unmanageable lump sums to telecoms providers to reinstate their full service. This could compromise their ability to pay other debts and expenses.



Emma was left unemployed and homeless after fleeing domestic abuse, and has multiple mental health conditions. She had almost £5,000 in debt to different services when she came to Citizens Advice, and her mobile phone provider had blocked her from making calls until she made a payment. Emma needed to phone her other creditors to agree debt repayment plans, so she was forced to make an £80 lump sum payment to her mobile provider to access outgoing calls. This left her unable to afford food.

¹⁷ Citizens Advice, [Protecting vulnerable consumers in the telecoms sector - Citizens Advice response to Ofcom's proposed guide for treating vulnerable consumers fairly](#), November 2019, p4

- 5.4. We support all of Ofcom’s proposed amendments encouraging providers to avoid service restrictions where possible, and to adopt a flexible and fair approach to disconnections.
- 5.5. It is important that service providers take a flexible approach to ensure customers can access their service if they are engaging with their provider to try to pay their debt. **We therefore welcome Ofcom’s proposed amendment to emphasise that providers should avoid service restrictions for at-risk customers who are “particularly reliant” on services,**¹⁸ unless all other options have been exhausted.
- 5.6. However, identifying which customers are “particularly reliant” on communication services can be challenging. In today’s world, most people are reliant on internet services in some capacity. Many depend on the internet to work or seek employment, access support or manage their finances. The internet also helps people stay in touch with friends and family. **Therefore, providers should assume that all their customers are reliant on the internet as the default.** Providers must only disconnect where all other options have been exhausted.



Max has found employment after being on Jobseeker’s Allowance (JSA) for 3 months. His new job requires him to work from home using the internet, but his provider has cut him off due to his debt. His provider is asking for a £70 lump sum to reconnect his service, but Max is unable to pay without taking out an expensive payday loan. Unless Max can find the £70, he won’t be able to start work.

- 5.7. We recognise that **phased service restrictions are preferable to a complete suspension of service.** However, providers must recognise that even partial restrictions have serious impacts on people who are already facing disadvantage or harm. Providers should only impose a

¹⁸ Ofcom, [Consultation: Treating vulnerable customers fairly guide – proposals to amend the guide to help ensure customers in debt or struggling to pay are treated fairly](#), 17 March 2022, para 3.70.

service restriction, even a partial one, when they have exhausted all other options.

- 5.8. When a provider does need to restrict a customer's service, we agree that **calls to free helplines should be maintained**. Providers should proactively communicate with affected customers to let them know that these essential services are still available despite the restrictions on their service.
- 5.9. And it is essential that providers take steps to understand a customer's circumstances before instructing debt collection agencies. In the cases we found, being pursued by debt collection agencies could cause severe stress and harm to consumers.



Claire signed up for a broadband and TV package but cancelled within the 14-day cooling off period. Her telecoms provider incorrectly passed her "debt" on to a debt collection agency, which regularly phones her in the evenings. Claire has multiple sclerosis and these calls wake her up, causing her stress and dizziness.

Ofcom should have kept its suggestion of a 3 month breathing space

- 5.10. We are **disappointed that Ofcom has chosen to withdraw its suggestion to avoid disconnection before a minimum of 3 months**, as it set out in its November 2020 letter to providers and its call for inputs.¹⁹
- 5.11. Ofcom is right that providers' primary focus must be on reaching an agreement with customers so that disconnection can be avoided, rather than disconnecting after a specific timeframe. But there is room to encourage a flexible and collaborative approach between providers and their customers, while also protecting people against rapid

¹⁹ Ofcom, [Review of measures to protect people in debt or at risk of disconnection: Call for inputs](#), 22 July 2021, para 4.49

disconnections.

- 5.12. **A 3-month period without the threat of disconnection should be a minimum protection for consumers.** This should be monitored and, where necessary, backed up by enforcement action.
- 5.13. Beyond this, providers should work with customers according to their individual circumstances. Specifying a 3-month minimum time frame before disconnecting should not lead providers to move swiftly or automatically towards disconnecting once this period is over.
- 5.14. And while Ofcom states that a disconnection period of less than 3 months may be in some customers' interests, we are concerned that this would not allow sufficient time for a provider to engage effectively with a customer about their debt. Ofcom says it expects providers to move to disconnection only "after several other steps are taken".²⁰ If a provider is disconnecting an at-risk customer after only 1 or 2 months, this suggests they have not followed Ofcom's expectations to exhaust all options before restricting service. Rapidly disconnecting customers in this way is not compatible with disconnection being used only as a "last resort".
- 5.15. We remain concerned at the examples we have seen of harmful provider practices, in contravention of existing guidance. This included:
- Imposing service restrictions despite engagement from the customer about their difficulties paying. This is contrary to guidance in Ofcom's November 2020 letter that "where a customer is actively engaging and seeking support, providers should not impose any service restrictions".²¹
 - Refusing to allow a customer to switch tariff without incurring a termination fee. This is contrary to existing guidance that "providers could consider waiving early termination charges if a customer

²⁰ Ofcom, [Consultation: Treating vulnerable customers fairly guide – proposals to amend the guide to help ensure customers in debt or struggling to pay are treated fairly](#), 17 March 2022, para 3.108

²¹ Ofcom, [Review of measures to protect people in debt or at risk of disconnection: Call for inputs](#), 22 July 2021, para 2.6

does switch tariff due to their debt”.²² It also goes against Ofcom’s statement that “when a customer is affected by longer term affordability issues it is very important that the provider offers tariff advice for example, about switching to a cheaper or social tariff.”²³

- 5.16. Given how much harm disconnection can cause to consumers, Ofcom can no longer rely on suggestions and guidance alone. Despite the requirements in the General Conditions, Citizens Advice continues to see examples of providers acting demonstrably unfairly to their most at-risk customers. In many cases, providers are ignoring existing guidance.
- 5.17. It is therefore now time for suggestion to be replaced with enforcement where consumer harm is ongoing. **If Ofcom accepts that these practices contravene the General Conditions on fairness, it must be willing to take enforcement action against firms which break the rules. If the General Conditions don’t currently allow for enforcement action in these scenarios, they must be strengthened.**
- 5.18. **And, as set out in section 2, Citizens Advice is concerned that relying on voluntary guidance rather than regulatory, enforceable minimum standards risks continuing the support lottery for consumers.**

²² Ofcom, [Review of measures to protect people in debt or at risk of disconnection: Call for inputs](#), 22 July 2021, para 4.33

²³ Ofcom, [Consultation: Treating vulnerable customers fairly guide – proposals to amend the guide to help ensure customers in debt or struggling to pay are treated fairly](#), 17 March 2022, para 3.108

6. Measures designed by providers to support consumers who are in debt or struggling to pay

- 6.1. **We support Ofcom’s proposed amendment that providers should be more open about the support available for customers in debt.** As well as improving outcomes for the consumer, supportive measures result in higher levels of collection for providers in the long-term. **Customers who are offered support can get back on track and return to making regular payments.**
- 6.2. The Cabinet Office’s call for evidence into fairness in government debt management acknowledges that “research has shown that a debt recovery process that incorporates access to tailored debt advice, additional support and affordable repayment plans, increases returns to creditors by an average of £750 per person”.²⁴
- 6.3. But despite these benefits, Citizens Advice has seen examples of providers appearing unwilling to offer customers measures that would help them make more consistent payments, such as repayment plans or alternative tariffs. It’s important that providers take a flexible and understanding approach when customers are actively engaging and trying to pay their debts.

²⁴ Cabinet Office, [Fairness in government debt management: a call for evidence](#), 29 June 2020, para 16



Grace's inbound and outbound calls were cut off by her provider until her bill was paid. She had told her provider she was struggling to meet monthly payments and asked to be moved to a pay-as-you-go contract, but she was told this was only possible if she paid an exit fee of up to £300. Grace was unable to phone anyone for further support with her arrears due to the service restrictions, and outbound calls redirected to an automated line with only 2 options - to make a payment or hang up.

- 6.4. Where support is available, promotion is often inconsistent. Ofcom's research shows that almost 9 in 10 UK adults have not heard of the payment support options that providers can offer.²⁵ This demonstrates a worryingly low level of awareness for such essential support.
- 6.5. **We therefore welcome Ofcom's proposal to emphasise the importance of providers proactively informing customers about the available support.** Information about support for customers who are struggling to pay should be easy to find on providers' websites.
- 6.6. Social tariffs can also provide a manageable and sustainable way for people to pay for their service and stay out of problem debt. As of April 2022, there are 10 social tariffs for broadband on the market from 8 providers. These numbers have grown, but not all providers have taken responsibility for providing an affordable service to lower income customers.
- 6.7. Ofcom's evidence shows that only 1.2% of eligible households are currently on a social tariff.²⁶ The tiny fraction of eligible households who take advantage of a social tariff shows that there is much more to be done

²⁵ Ofcom, [Consultation: Treating vulnerable customers fairly guide – proposals to amend the guide to help ensure customers in debt or struggling to pay are treated fairly](#), 17 March 2022, para 3.123

²⁶ Ofcom, [Consultation: Treating vulnerable customers fairly guide – proposals to amend the guide to help ensure customers in debt or struggling to pay are treated fairly](#), 17 March 2022, para 3.128

to raise awareness. And firms' failure to promote their social tariffs effectively reveals the precarity of voluntary arrangements.

- 6.8. We are concerned that adding a single reference to social tariffs in the guidance will not be enough to make providers increase awareness and uptake of social tariffs in a meaningful way.
- 6.9. **If firms don't establish and promote workable social tariffs under the voluntary model, Ofcom must be willing to regulate telecoms firms to ensure they do so.**
- 6.10. **And, as set out in section 2, Citizens Advice is concerned that relying on voluntary guidance rather than regulatory, enforceable minimum standards risks continuing the support lottery for consumers.**

Conclusion

Citizens Advice welcomes Ofcom's proposals to give providers more guidance about how they can treat telecoms customers fairly, particularly those at greatest risk of disadvantage or harm.

These amendments should help responsible providers support customers who are in debt, keeping them connected to their service and helping them return to regular payments. This is beneficial to both the provider and the consumer.

It is particularly important to acknowledge the importance of proactive communications and support for at-risk customers, and a "last resort" approach to disconnection. **We encourage the regulator to reconsider its decision to withdraw its guidance around a minimum 3-month disconnection period.** This 3-month grace period would provide a minimum protection to consumers against rapid disconnections, and would help ensure that providers don't disconnect until other options have been exhausted.

However, we remain concerned about the effectiveness of relying on voluntary guidance. 15 months on from the introduction of Ofcom's guide, people are still turning to Citizens Advice for help when their telecoms providers fail to treat them fairly. Being disconnected from your telecoms supply means being cut off from family, friends and support networks. It can cause serious hardship across different areas of people's lives.

At the moment, providers are free to pick and choose which elements of the guidance they wish to follow. It's not clear how much of the guidance Ofcom expects providers to take up in order to meet their obligations to consumers. This creates a lottery of support for customers. We therefore remain disappointed that Ofcom has not taken this opportunity to safeguard consumers through regulatory, enforceable minimum standards.

Treating customers fairly shouldn't be optional. The regulator must act to make sure these changes are supported by robust regulation. If the

General Conditions don't currently allow for enforcement action against unfair behaviour, then Ofcom should consider amendments to the Conditions themselves.