

Your response

Question	Your response
<p>Question 1: Do you agree with the proposed revisions to our guide? Please provide your views with supporting evidence.</p>	<p><i>Is this response confidential?-N (delete as appropriate)</i></p> <p>Given the current cost of living crisis, ISPA members are broadly supportive of the suggested amendments to the treating vulnerable consumers guide.</p> <p>In our response to the initial consultation, we highlighted the need for a definition of what Ofcom considers to be customers in debt or with affordability issues. We strongly believe that the current criteria are too broad and risk diverting support from customers in real need of support. For example, Ofcom's reports on Affordability of Communications Services use a wide range of proxies to indicate affordability issues but don't actually acknowledge whether a customer is currently on a low or high-cost tariff or whether there are persistent affordability issues. Missing a payment can be down to a range of issues but does not always mean a customer is facing debt or in financial difficulty and making changes to an existing service (e.g. changing the package or tariff) in order to make it more affordable would be more significant if a customer is already on a lower cost tariff.</p> <p>Some ISPA members still believe that Ofcom should work with providers to create clear definitions of the situations that would classify customers as vulnerable or financially vulnerable to ensure there is no misinterpretation and that policy interventions and provider support can make the most meaningful impact for customers in the greatest need.</p> <p>ISPA would re-emphasise our caution in the previous consultation against any moves to mandate social tariffs. There has been a strong response from the market with virtually all</p>

	<p>eligible customers in the UK having access to multiple providers with social tariffs.</p> <p>It is also important that there is a wide range of low-cost general tariffs and that any potential cost savings from a broadband social tariff can only make a marginal difference in light of the development of gas and energy prices.</p> <p>Given the wide availability of social tariffs, take-up will be an important measure and it will be important to put in place a robust methodology. Simply comparing take-up to the number of potentially eligible households is too simplistic, given the wide range of financial situations that eligible households might find themselves in.</p> <p>We would urge Ofcom to continue to discuss with providers and Government ways to work together to help reduce the complexities which are preventing providers from offering a social tariff. This includes, but is not limited to, access to DWP data, treatment of customers that are only eligible for a short-time and support through the tax system, e.g. via favourable VAT treatment for social tariff products.</p> <p>ISPA members are supportive of Ofcom's recommendation to avoid limiting the use of service restrictions as our members do not want to disconnect financially vulnerable consumers if they can find an alternative resolution.</p> <p>Members will continue to endeavour that vulnerable customers are protected. However, they need to retain flexibility on when service suspension is the most appropriate course of action, whilst, at the same time, following the other guidelines Ofcom has proposed.</p>

Please complete this form in full and return to debt.review@ofcom.org.uk.