

# Affordability of communications services

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[Welsh version available](#)

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# 1. Overview

Ensuring people can access affordable fixed and mobile broadband remains a priority for Ofcom. Increases in energy, food, and other consumer goods prices have continued to exacerbate cost-of-living concerns and place a strain on UK households. Several broadband and mobile providers have also recently implemented significant above inflation price increases for in-contract customers.

Between July 2022 to January 2023, our [Communications Affordability Tracker](#) found that around three in ten households had difficulty affording their communications services in the last month. This has remained at a similar level to the research findings in our September 2022 report.



**220,000**  
**households**

are on a social tariff  
as of February 2023

**4.3 million**  
households are on  
Universal Credit



**5.1%**  
**of UK households**  
receiving Universal Credit  
are on a social tariff

FEBRUARY 2023

**53%**

of benefits claimants are  
**unaware of social tariffs**  
as of February 2023

Ofcom has called on communications providers to offer and promote social tariffs. Social tariffs can help ensure that fixed and mobile internet services remain affordable for customers on low or no income who struggle to pay their bills. Ofcom does not have the power to introduce regulated social tariffs without being directed to do so by the UK Government. However, providers have responded to our calls to offer social tariffs on a voluntary basis and the number available to customers has continued to increase since our last report. Take-up of social tariffs also increased four-fold during 2022, but the latest figures still represent a relatively small proportion of all eligible customers.

- **There has been an increasing trend in the number of households facing affordability issues for their communications needs over the past two years.** As of January 2023, three in ten households (29%) were reporting difficulty in affording any communications services, which is a similar level to that found in October 2022, and an increase from 15% in April 2021. The latest numbers also showed that 6% of households with fixed broadband found it difficult to afford this service, and 8% of households with a mobile found it difficult to afford this service.
- **The availability of fixed broadband social tariffs has improved over the past 18 months, with around 20 providers now offering a social tariff.** Around 85% of fixed broadband customers are now able to switch to a social tariff with their existing provider. We continue to call on TalkTalk to follow the example of other providers by introducing a social tariff.
- **New mobile broadband social tariffs are becoming available.** Since our September 2022 report, EE and SMARTY have launched mobile social tariffs in addition to the tariff offered by VOXI. We continue to call on O2 to introduce a social tariff.
- **Take-up of social tariffs has increased to around 220,000 households in February 2023, a four-fold increase from around 55,000 in January 2022.** The proportion of eligible households that have taken-up a social tariff has also increased (to 5.1% from 1.2%).
- **Awareness of social tariffs has also improved among eligible customers (to 47% from 16% in January 2022).** Most people are hearing about social tariffs for the first time via social media (26%) and television (21%).
- **Those who take up a fixed broadband social tariff could make a significant saving to help alleviate affordability concerns.** Our analysis indicates that, on average, an eligible household could save around £202 per year by switching to a fixed broadband social tariff.
- **Most providers have confirmed that they have no current plans to increase the price of their social tariff for new customers whilst some others have committed to maintaining the price of their social tariff.** This is in addition to the other protections we have already secured from providers, including no mid-contract price rises for social tariffs.
- **Awareness and take-up of social tariffs remains a challenge.** Over half of eligible households remain unaware of social tariffs and the overall proportion that have taken-up a social tariff remains relatively low. Providers should take steps to improve awareness of social tariffs and the information available about them, particularly among those most likely to be facing affordability issues.
- **Households with younger individuals and those in part-time work or not in work were more likely to experience affordability problems and stand to benefit most from a social tariff.** We have conducted analysis of the characteristics of households that have shown to be at greater risk of affordability issues and encourage providers to target awareness-raising communications to these customers.

## Our work on social tariffs

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Our [Communications Affordability Tracker](#) continues to monitor consumers' attitudes and behaviours regarding the affordability of communications services, and how they change. This research will continue on a quarterly basis, with findings published on our website.

We will continue to monitor the availability of social tariffs across the fixed broadband and mobile broadband markets. The [Social tariffs page](#) on the Ofcom website will continue to provide a list of available social tariffs. We will collect data from providers to track the take-up of those tariffs over time.

We will also continue to help raise awareness of social tariffs, by undertaking further engagement with providers and by working with Government and consumer organisations, to help ensure more eligible households are aware of the help they can receive.

Further updates on our work on social tariff availability, take-up, and consumer awareness will be made available in our forthcoming Pricing trends for communications services in the UK report, which will be published later in 2023.<sup>1</sup>

## How Ofcom is working to help consumers

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Social tariffs remain just one of the ways to help address affordability issues. Ofcom is currently working on a range of programmes to help protect consumers from harm and ensure they are able to make informed choices in relation to their fixed and mobile broadband services.

In February 2023, Ofcom launched a review to examine whether inflation-linked, mid-contract price rises give customers sufficient certainty and clarity about what they can expect to pay over the duration of their contract.<sup>2</sup> We expect to publish our initial findings later in 2023.

We will be monitoring whether providers are treating customers in vulnerable circumstances fairly and giving them the support and services they need. This work will include looking at how providers ensure customers in debt, or struggling to pay, are treated fairly.

Ofcom also has duties to promote media literacy and has an established programme of work to help improve online skills, knowledge and understanding of UK adults and children. More information about this can be found on the Ofcom webpage for the [Making Sense of Media programme](#).

## Rest of this document

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- Section 2: presents a summary of our latest affordability tracker research.
- Section 3: provides a general update on social tariff take-up and availability.
- Section 4: provides an update on fixed broadband social tariffs.
- Section 5: takes a closer look at mobile broadband social tariffs.
- Section 6: looks at how social tariffs can be promoted effectively to raise awareness of them.
- Section 7: provides information on the protections available to those who are not eligible for a social tariff.
- Section 8: outlines our conclusions and next steps.

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<sup>1</sup> See Ofcom's website for previous versions of this report: [Pricing trends for communications services](#).

<sup>2</sup> We recently published a [terms of reference](#) for this work, available on our website.

## 2. Affordability of communications services

Ofcom has a duty to carry out, publish and take account of consumer research regarding the experiences of consumers of communications services. In discharging these duties, we regularly collect and publish market intelligence and consumer research on the affordability of communications services.

We published reports on the affordability of communications services in [December 2020](#) ('our December 2020 report'), [July 2021](#) ('our July 2021 report'), [February 2022](#) ('our February 2022 report') and [September 2022](#) ('our September 2022 report'). In them, we noted that significant numbers of consumers faced affordability issues with accessing internet services, including fixed broadband and mobile broadband. We highlighted that social tariffs (or 'targeted tariffs') play a role in supporting households on means-tested benefits<sup>3</sup> and urged all providers to offer and promote social tariffs. We also noted that awareness and take-up of social tariffs was low.

### Cost-of-living impact on the affordability of communications services

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Our Communications Affordability Tracker monitors consumers' attitudes and behaviours regarding the affordability of communications services. The latest results are published in an [interactive form](#) on the Ofcom website.

Affordability concerns have remained high since our September 2022 report. Rising energy, food, and other consumer goods prices have continued to exacerbate cost-of-living concerns and place a strain on UK households.

### One in three UK households had an issue affording their communication services

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The latest results from the [Communications Affordability Tracker](#) reflect the ongoing pressures households face amid the cost-of-living crisis. Figure 1 shows the proportion of consumers reporting communications affordability issues from June 2020 through to January 2023. Since April 2021, when 15% of consumers experienced communications affordability issues, there has been a steady increase, to a high point (32%) in October 2022. The January 2023 findings show that affordability issues remain at a similar level, with 29% reporting difficulty affording their communications services. This equates to approximately 8.1 million (+/-800,000) households.<sup>4</sup> The households that were most likely to have affordability issues continue to be those in receipt of benefits, those with children, and those with a resident with an impacting/limiting condition.

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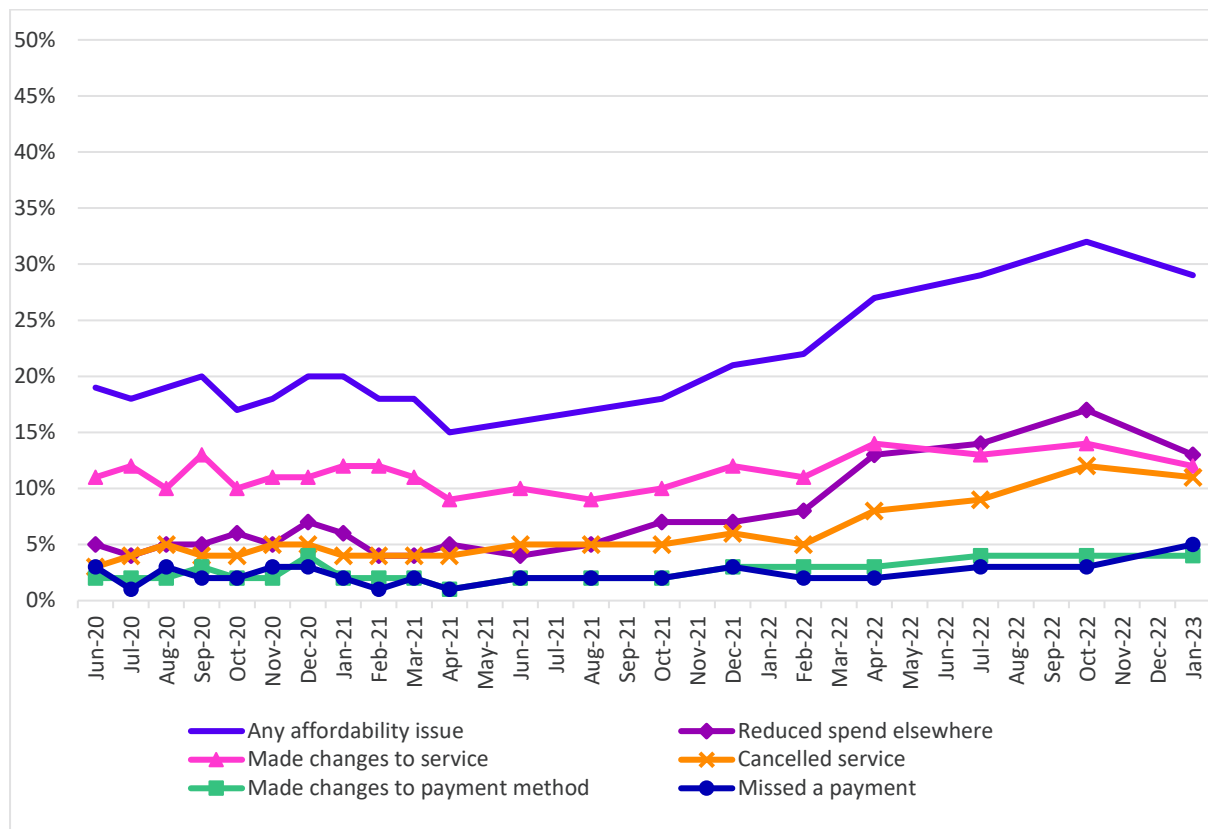
<sup>3</sup> Ofcom does not have the power to introduce regulated social tariffs without being directed to do by the UK Government. For more details on the legal framework for our work on affordability see Background section of our July 2021 report.

<sup>4</sup> For an explanation of population estimates, see the [technical annex](#).

To understand the financial impact the cost of communication services has on households we asked if they have experienced any of five different communications affordability challenges.<sup>5</sup> In January we found that 13% of households had reduced spend elsewhere (e.g. on food and clothes) so they could afford communications services, 12% had made changes to their service (e.g. changed package or tariff) and 11% had cancelled a communications service. Five per cent said they had missed a payment and 4% made changes to how they pay for their service.<sup>6</sup>

In 2022, reducing spend elsewhere (e.g. on food and clothes) became the most common action taken in relation to communications service affordability. We also saw households become more likely to cancel communication services. The percentage of households making changes to their communication services remained stable over the same period.

**Figure 1: Experience of communications affordability issues 2020-23**



Source: Ofcom Communications Affordability Tracker. Base: UK decision makers aged 18+

<sup>5</sup> A household can experience multiple issues with the same service or the same issue with multiple services.

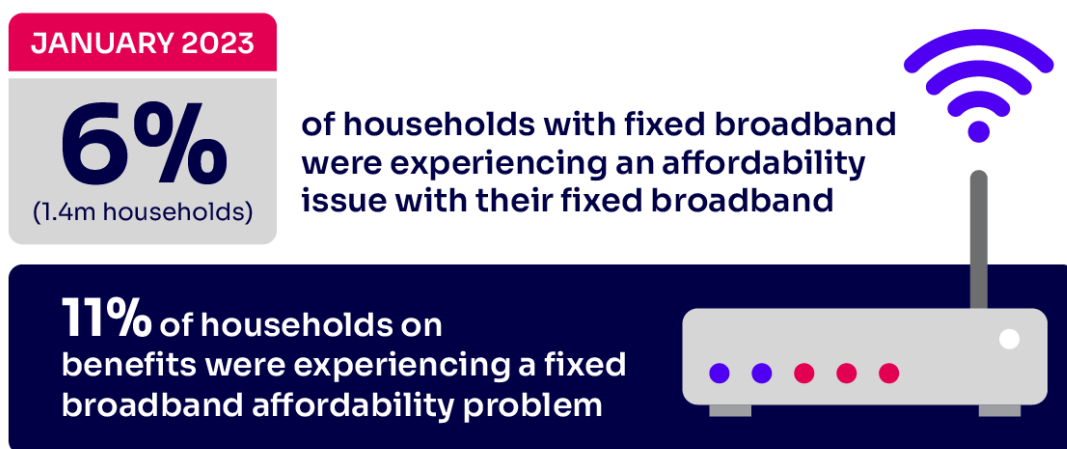
<sup>6</sup> This might include using savings to pay the bill; using a credit card to pay the bill; taking an agreed payment break/deferral; using an overdraft to pay the bill; taking out a loan/borrowing money to pay the bill; or entering into a repayment plan agreement.

## Households in receipt of benefits were almost twice as likely to have broadband affordability issues

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In January, 6% of households with fixed broadband<sup>7</sup> found it difficult to afford their service; this equates to around 1.4 million (+/- 400,000) UK households. This proportion has remained between 5% and 6% from February 2022 through to January 2023. Among fixed broadband households, 3% said they made changes to their fixed broadband service, 1% made changes to their payment method<sup>8</sup>, and 1% cancelled their fixed broadband service.

As we've seen in previous waves of the research, those in receipt of benefits (11%) and those that are classed as 'potentially financially vulnerable'<sup>9</sup> (12%) were the households most likely to experience fixed broadband affordability issues.



## Households in receipt of means-tested benefits, with an impacting or limiting condition and/or from a minority ethnic group were most likely to have mobile affordability problems

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In January 2023, 8% of households with a mobile phone found it difficult to afford their service, which equates to around 2.3 million (+/-500,000) homes. This is compared to February 2022, when 6% of households experienced mobile affordability issues. Mobile affordability issues then reached their highest level since the tracker began, at 9% in July and October 2022.

Among households with a mobile: 4% made changes to their data, 3% made changes to their minutes, 2% changed their payment method, 2% missed a payment and 1% cancelled their service.

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<sup>7</sup> The base of this calculation is households who own or previously owned (i.e. cancelled in the last month) a fixed broadband service.

<sup>8</sup> This might include using savings to pay the bill; using a credit card to pay the bill; taking an agreed payment break/deferral; using an overdraft to pay the bill; taking out a loan/borrowing money to pay the bill; or entering into a repayment plan agreement.

<sup>9</sup> Respondents providing sufficient personal data (household income and number of children in household) have been allocated to three levels of financial vulnerability: Most, Potentially and Least.



The households that were more likely to report mobile affordability problems were those on means-tested benefits (17%), those with an impacting or limiting condition (15%) and those from a minority ethnic group (14%).



4% of households are only able to access the internet via a mobile data connection (e.g. using a smartphone or a dongle/USB device).<sup>10</sup> We refer to this group of households as ‘mobile internet-only’. Our research found that 13% of these households experienced affordability problems with their mobile service in January 2023, 4% made changes to their payment method, 3% missed a payment for their service and 1% cancelled their service.

## Around one in ten households struggle to pay for pay-TV and subscription video-on-demand services

In 2022, the Communications Affordability Tracker saw pay-TV affordability issues rise from 10% in February 2022 to 15% in October 2022. We also saw a similar trend in subscription video-on-demand (SVoD) services, with household affordability issues rising from 7% in February 2022 to 14% in October 2022.

In January 2023, our research found that pay-TV and SVoD households remained the services consumers were most likely to say they struggle to afford, with the proportion experiencing a pay-TV or SVoD affordability issue being 12% and 11% respectively. This is likely due to households prioritising spend on other communication services over pay TV and SVoD, as these two services have the highest levels of cancellations (6% and 8% respectively) of any of the communications services.

The proportion of households making changes to their pay-TV service (7%) was higher than for other communications services, which may reflect the range of service packages available for pay TV (e.g. changing the number of channels you can access).

In January 2023, we also saw that 4% of households said they had a landline affordability issue, consistent with the level observed in previous waves since February 2022.

<sup>10</sup> Data based on Ofcom’s [Tech Tracker 2022](#).

### 3. Latest developments on broadband social tariffs

#### The availability of social tariffs has increased in both the fixed broadband and mobile broadband markets

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We welcome the support that providers are giving to their customers through social tariffs and recognise that there has been significant progress in the availability and take-up of social tariffs over the past year. This is reflected in a steady increase in the number and quality of social tariffs available to fixed broadband and mobile broadband consumers, particularly since the publication of our report in September 2022.

In the fixed broadband market, several providers (including Vodafone, Lothian Broadband, and WightFibre) have started to offer social tariffs, while Virgin Media has launched a new social tariff and EE and Plusnet customers can now switch to BT's social tariffs without penalty. Overall, around 85% of fixed broadband homes are now able to access a social tariff without switching provider or incurring an early termination charge (ETC). We understand that Shell plans to launch a social tariff for their fixed broadband service before summer 2023. TalkTalk remains the only major fixed broadband provider that still does not have plans to offer a social tariff. We continue to urge them to introduce one.

We have also seen developments in the mobile broadband market. In September 2022, we reported only one mobile broadband social tariff, which was offered by Vodafone (VOXI). Since then, EE and Three (SMARTY) have launched new social tariffs. However, we continue to extend our call to O2 to introduce a social tariff.

#### Awareness of social tariffs has increased but more than half of eligible people are still unaware of social tariffs

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We have seen a positive increase in the awareness of social tariffs over the past year. We conducted research in February 2023<sup>11</sup> which found that 53% of UK adults living in eligible households had not heard of the cheaper broadband services they could access. This is a decrease compared to previous research conducted in 2022, which showed 84% (in January) and 69% (in April) of those eligible were not aware these tariffs were available to them. However, over half of eligible consumers are still unaware of them.

We asked people who were eligible for social tariffs and aware of them, where they had first heard of them. Just over a quarter (26%) said 'social media' and one in five (21%) said via television programmes. Social tariffs have received coverage in the media and on TV programmes such as 'Rip off Britain' and 'The Martin Lewis Money Show' and this is likely to have helped to raise awareness.

The UK Government has included broadband social tariffs in its [Help for Households webpage](#), which provides resources for those looking for help with cost-of-living pressures. This campaign has

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<sup>11</sup> Online omnibus research, among 2078 UK Adults ages 18+. Fieldwork conducted between 22 and 23 February 2023.

contributed a large proportion of traffic to Ofcom’s [webpage on social tariffs](#), which is one of the Ofcom website’s most visited pages.

Ofcom has used its own communications channels, participated in TV programmes, and engaged with third sector organisations seeking opportunities for collaboration, to increase awareness of social tariffs. We have also encouraged price comparison websites to improve information about social tariffs on their websites where possible.

Our research found that about one in ten (9%) of those eligible for a social tariff and had heard of a social tariff said they first heard of them through their provider. This demonstrates that providers still need to do more to promote their social tariffs and make them easier to find. We outline more details about what we expect providers to do to promote social tariffs, and our review of how providers are performing against these expectations, in Section 6.

## Take-up of social tariffs has quadrupled since January 2022 to 220,000 households, meaning approximately 5.1% of eligible households are now on social tariffs

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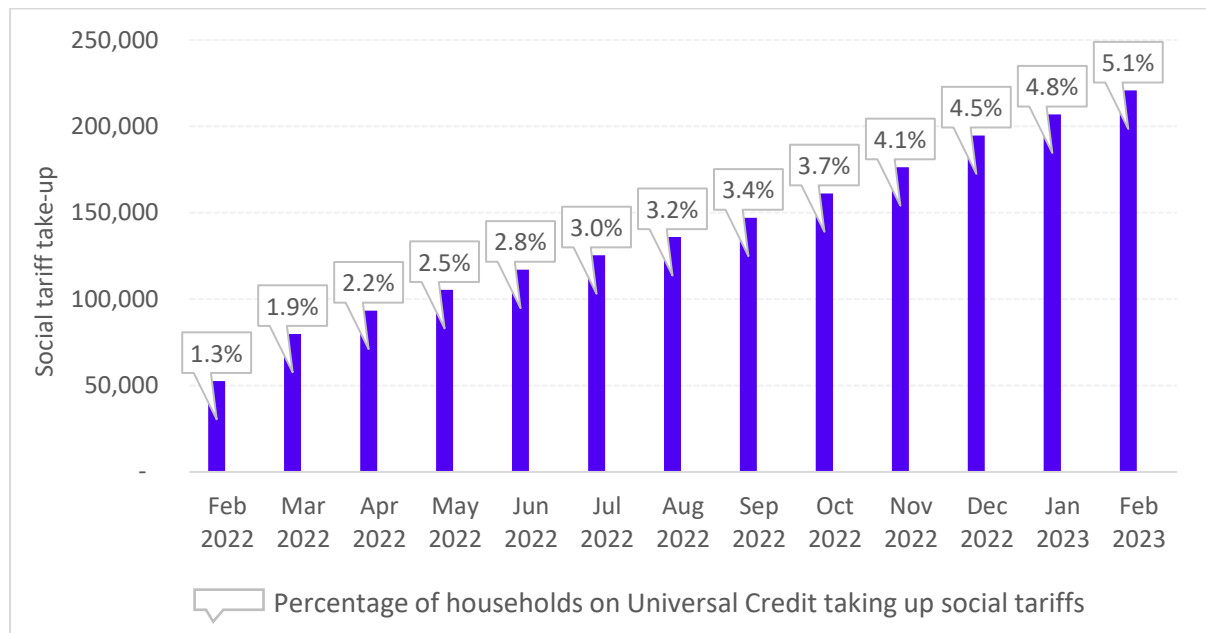
Take-up of social tariffs has increased substantially, and in February 2023 stood at around 220,000 households across all fixed and mobile broadband social tariffs, as outlined in Figure 2. This was an increase from 136,000 in August 2022, a 62% increase, and means that take-up has quadrupled from 55,000 in January 2022. While we do not publish take-up figures by individual provider, we note that there has been steady growth over this period and all providers have contributed to the increase in take-up. Although there are now more social tariffs available for mobile broadband, the volumes and growth in social tariff take-up is mainly in fixed broadband.

In previous reports, we have used the number of households receiving Universal Credit, the main working age means-tested benefit, as a proxy for eligible households.<sup>12</sup> While many providers included additional benefits in their eligibility criteria, Universal Credit was previously the only consistent benefit across all social tariffs. With 4.3 million households on Universal Credit, as of the latest data from November 2022, this means that 5.1% of eligible households were on a social tariff in February 2023. This represents a welcome increase from 3.2% in August 2022 and demonstrates progress around supporting low-income consumers but highlights that take-up remains low relative to the number of eligible households.

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<sup>12</sup> We use the number of households on Universal Credit as our eligible population because of the focus of fixed broadband in previous reports; most households tend to only have one fixed line connection. The number of individuals receiving Universal Credit was 5.9 million in February 2023 according to [DWP statistics](#).

Figure 2: Take-up of social tariffs<sup>13</sup>



Source: Ofcom analysis of provider and DWP data

## There is greater consistency between providers in the eligibility criteria for social tariffs

Since our September 2022 report, providers have been expanding their eligibility criteria to cover additional means-tested benefits. All major providers now also include Pension Credit, Employment Support Allowance, Job Seekers' Allowance, and Income Support in their eligibility criteria.

This increased consistency has been supported by the development of an API by the Department for Work and Pensions (DWP) which providers can use to confirm eligibility.<sup>14</sup> The API has been made available for providers to use free of charge and is being adopted by most providers over the course of 2023. This check covers all five means-tested benefits cited above, helping facilitate providers to expand their criteria.

We welcome this widening of eligibility criteria of social tariffs and expect providers offering any future social tariffs to take the same approach. As these benefits are all means tested, the expansion in eligibility criteria means that more people who are struggling to pay their bills will now have access to a social tariff.<sup>15</sup>

<sup>13</sup> The percentage of households on Universal Credit taking up social tariffs is calculated using monthly social tariff take-up figures provided by providers to Ofcom, and monthly DWP figures on households receiving Universal Credit. Monthly Universal Credit data was available at the household level until November 2022 at time of writing, and the November 2022 figure is used for the following months (December 2022 to February 2023).

<sup>14</sup> An API or Application Programming Interface is a mechanism allowing two software systems to communicate with each other.

<sup>15</sup> This means that the actual number of people eligible is higher than the 4.3 million households on Universal Credit that we reference above.

Our engagement with consumer bodies previously highlighted that the lack of consistency in eligibility criteria caused confusion to consumers and made it harder to raise awareness of social tariffs. Therefore, a more consistent approach to the core eligible benefits could also help consumers to see that they may be eligible for a social tariff and make it easier to communicate eligibility criteria for those seeking to promote social tariffs.

While we encourage providers to take a broad approach to eligibility to ensure that as many people as possible who need a social tariff can access one, we acknowledge that providers may choose to limit eligibility. Being eligible for a means-tested benefit provides a good, and easy to verify, indicator for consumers who may be more in need of a cheaper broadband connection.

Non-means-tested benefits, such as Personal Independence Payment (PIP) and Disability Living Allowance, continue to be excluded from the eligibility criteria of most providers. We note that consumers on such non-means-tested benefits who have low incomes may also receive Universal Credit or Pension Credit, and therefore would be eligible for a social tariff through that route. For example, almost 16% of recipients of Personal Independence Payment or Disability Living Allowance also receive Universal Credit.<sup>16</sup>

In Section 7 of this report, we highlight protections available to consumers who are on benefits that are not covered by social tariffs.

## Prices have remained stable for new and existing customers of social tariffs

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Given the continuing pressures on household budgets, keeping the price of social tariffs stable is important and can give consumers confidence that their bill will not increase. Social tariffs already have protections in place, including that existing social tariff customers can move onto and off a social tariff with their provider without incurring any ETCs, and they are not subject to mid-contract price rises.

Most providers have indicated that they have no plans to increase the price of their social tariffs to new customers. Others, including Sky, Virgin Media and KCOM, have gone further and confirmed to us that they will not raise their social tariff prices over the course of 2023.

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<sup>16</sup> Based on data from DWP, as of August 2022 there were 693,638 individuals in receipt of both Universal Credit and Personal Independence Allowance or Disability Allowance. In August 2022, there were 4.42 million individuals with entitlement to Personal Independence Allowance and Disability Allowance (including the number of people in receipt of Personal Independence Allowance and Disability Allowance and those with entitlement where the payment has been suspended, for example if they are in hospital at a point in time).

## 4. Fixed broadband social tariffs

### Most consumers can now access a fixed broadband social tariff through their existing provider

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Since our September 2022 report, we have seen additional fixed broadband social tariffs come onto the market, increasing the availability and choices for consumers. As a result, around 85% of consumers can now access a social tariff without needing to switch providers or incur an ETC to move onto a social tariff. Some providers also offer multiple social tariffs with different speeds, enabling customers to choose the product best suited to their needs. A summary of the current fixed broadband social tariffs offered as of April 2023 is in Table 1 for major providers, and Table 2 for localised and smaller providers.

Vodafone launched its Essentials Broadband product for the fixed broadband market in October 2022. Customers of EE and Plusnet are now able to take up BT's Home Essentials Broadband products with no ETCs applying. We have also seen several smaller or localised providers introduce social tariffs in recent months, including WightFibre and Lothian Broadband. We understand that Shell is planning to launch a social tariff for fixed broadband before summer 2023.

This leaves TalkTalk as the only major fixed broadband provider that does not offer, or have any plans to offer, a social tariff. We recognise that TalkTalk has another initiative to address the needs of people who may face affordability challenges, namely through their partnership with DWP to provide six months of free home broadband access to people who are seeking work.<sup>17</sup> However, this programme will not cover all individuals on benefits who face affordability issues, and as a result, any TalkTalk customers who wish to access a social tariff must switch providers in order to do so and potentially incur an ETC. We have urged TalkTalk to launch a social tariff in our previous reports and we repeat that call. However, if TalkTalk continues not to offer a social tariff, we call on them to waive ETCs for any customers who are struggling to pay and wish to switch providers to access a social tariff.

Openreach has been providing support to low-income customers through their Connect the Unconnected scheme, which provides a wholesale discount on the connection fee for customers not on the Openreach network and who are on Universal Credit. This scheme has recently been extended for a further six months. Some providers have also asked Openreach to provide a wholesale discount where it is providing a customer with a social tariff; however, Openreach has not introduced a wholesale social tariff discount.

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<sup>17</sup> [TalkTalk and DWP launch national scheme to give jobseekers free broadband](#), TalkTalk press release, 27 September 2021

## There have also been improvements to some social tariff offerings

As highlighted earlier, we have seen the emergence of a more consistent approach to benefits included in the eligibility criteria, with all major providers offering social tariffs to recipients of the five means-tested benefits covered by the DWP eligibility checking API.<sup>18</sup>

Our September 2022 report published findings from our research<sup>19</sup> among those eligible for broadband social tariffs. This research was designed to understand the potential barriers to taking up broadband social tariffs. It found that 42% of eligible consumers agreed with the statement that ‘as social tariffs are cheaper, they’re less likely to be reliable’, highlighting the importance of good quality social tariffs with superfast broadband speeds.

### Major providers’ social tariffs updates

Virgin Media was the only provider at the time of our September 2022 report that did not offer a social tariff with superfast speeds. We therefore welcome the launch of a higher specification superfast tariff by Virgin Media, Essential Broadband Plus.

Some providers are offering add-ons to the social tariff which could make them more attractive to some consumers and encourage further take-up. Virgin Media, for example, now offers a TV add on to their Essential Broadband Plus tariff through their Stream TV product for an additional £20 setup fee. Sky has added a mobile broadband option to their Broadband Basics package, enabling customers of Sky’s broadband social tariff to access 3GB data free with Sky Mobile.

**Table 1: Fixed broadband social tariffs as of April 2023, major providers<sup>20</sup>**

Provider and tariff	Price per month	Speed	Additional eligible benefits*	Area of coverage
<b>BT Home Essentials</b>	£15.00	Around 36 Mbit/s		UK
<b>BT Home Essentials 2</b>	£20.00	Around 67 Mbit/s		UK
<b>KCOM Full Fibre Flex</b>	£14.99	30 Mbit/s	PIP, Attendance Allowance, Housing Benefit, care leavers, care home residents	Hull
<b>NOW Broadband Basics</b>	£20.00	36 Mbit/s		UK
<b>Sky Broadband Basics</b>	£20.00	36 Mbit/s		UK

<sup>18</sup> We note that a small number of providers currently have no eligibility criteria, including 4<sup>th</sup> Utility, Community Fibre and Lothian Broadband, and the social tariff is available to all customers who need it.

<sup>19</sup> Online omnibus research, among 2067 UK Adults aged 18+, 499 of them in households eligible for a social tariff. Fieldwork conducted between 13 and 14 April 2022.

<sup>20</sup> Details on the social tariffs available were accurate as of publication in April 2023. For up-to-date pricing and eligibility information, please check directly with each of the providers.

Provider and tariff	Price per month	Speed	Additional eligible benefits*	Area of coverage
<b>Virgin Media Essential Broadband</b>	£12.50	15 Mbit/s		UK
<b>Virgin Media Essential Broadband Plus</b>	£20.00	54 Mbit/s		UK
<b>Vodafone Essentials Broadband</b>	£12.00	38 Mbit/s	PIP, Disability Living Allowance, Reduced Earnings Allowance	UK

Source: Social tariff data has been taken from provider websites.

\* All social tariffs from major providers are available to recipients of Universal Credit, Pension Credit, Employment Support Allowance, Job Seekers' Allowance, and Income Support

## Localised and smaller providers' social tariff updates

We have seen a significant increase in the number of more localised or smaller providers offering a social tariff. Many of these are providers are building new full fibre networks in specific geographical areas across the UK. The location of providers is indicated in Table 2 below.

We have also seen some improvements to the offerings these smaller providers are making, for example, Hyperoptic reduced the price of their 150Mbps social tariff from £25 to £20 per month.

Community Fibre recently increased its download speed from 10Mbit/s to 20Mbit/s but it did not go as far as offering a superfast speed in line with other fixed broadband providers offerings. While it is one of the cheapest social tariffs available at £12.50 per month, we call on Community Fibre to increase the speed of its social tariff.

**Table 2: Fixed broadband social tariffs as of April 2023, local providers<sup>21</sup>**

Provider and tariff	Price per month	Speed	Additional eligible benefits*	Area of coverage
<b>4<sup>th</sup> Utility Social Tariff</b>	£13.99	30 Mbit/s	Open to all	England
<b>Community Fibre Essential 20Mbps</b>	£12.50	20 Mbit/s	Open to all	England (London)
<b>Country Connect Social Tariff</b>	£15.00	50 Mbit/s		Wales (Newport)
<b>G.Network Essential Fibre Broadband</b>	£15.00	50 Mbit/s		England (London)
<b>Grayshott Gigabit Connect</b>	£19.00	100 Mbit/s	PIP, Attendance Allowance, care leavers, care home residents	England
<b>Hyperoptic Fair Fibre 50</b>	£15.00	50 Mbit/s	PIP, Attendance Allowance, Housing Benefit, care leavers	England, Scotland, Wales

<sup>21</sup> Details on the social tariffs available were accurate as of publication in April 2023. For up-to-date pricing and eligibility information, please check directly with each of the providers.



Provider and tariff	Price per month	Speed	Additional eligible benefits*	Area of coverage
<b>Hyperoptic Fair Fibre 100</b>	£20.00	150 Mbit/s	PIP, Attendance Allowance, Housing Benefit, care leavers	England, Scotland, Wales
<b>Lightning Fibre Social Tariff</b>	£15.00	50 Mbit/s	PIP, Attendance Allowance, care leavers	England (East Sussex and Kent)
<b>Lothian Broadband Social Tariff</b>	£19.99	100 Mbit/s	Open to all	Scotland (Lothian)
<b>Wildanet Helping Hand Social Tariff</b>	£20.00	30-100 Mbit/s		England (Cornwall and Devon)
<b>Wightfibre Essential Broadband</b>	£16.50	100 Mbit/s		England (Isle of Wight)

Source: Social tariff data has been taken from provider websites.

\* Most social tariffs from local providers are available to recipients of Universal Credit, Pension Credit, Employment Support Allowance, Job Seekers' Allowance, and Income Support. Wildanet's social tariff is initially available to those in receipt of Universal Credit; they are considering the inclusion of additional benefits.

## Social tariffs can offer eligible consumers savings of around £202 per year on their fixed broadband

Table 3 summarises the potential benefits an eligible household could realise by switching to the social tariff offered by its fixed broadband provider from the most closely comparable commercial tariff available from the same provider.

On average, an eligible household could save £202 per year by switching to a social tariff. This illustrative calculation is obtained as the difference between the average yearly spend on social tariff and the average yearly spend on a comparable commercial tariff.

Using data on the monthly prices of comparable commercially available tariffs offered by providers of a social tariff, we estimate the average yearly spend for a household on a commercial tariff to be £411.<sup>22</sup> This corresponds to 5%<sup>23</sup> of a representative eligible household's disposable income after accounting for expenditure on housing, energy, and food.<sup>24</sup> Assuming that the average monthly price among currently available social tariffs is £17.44<sup>25</sup>, an eligible household's annual spend on a

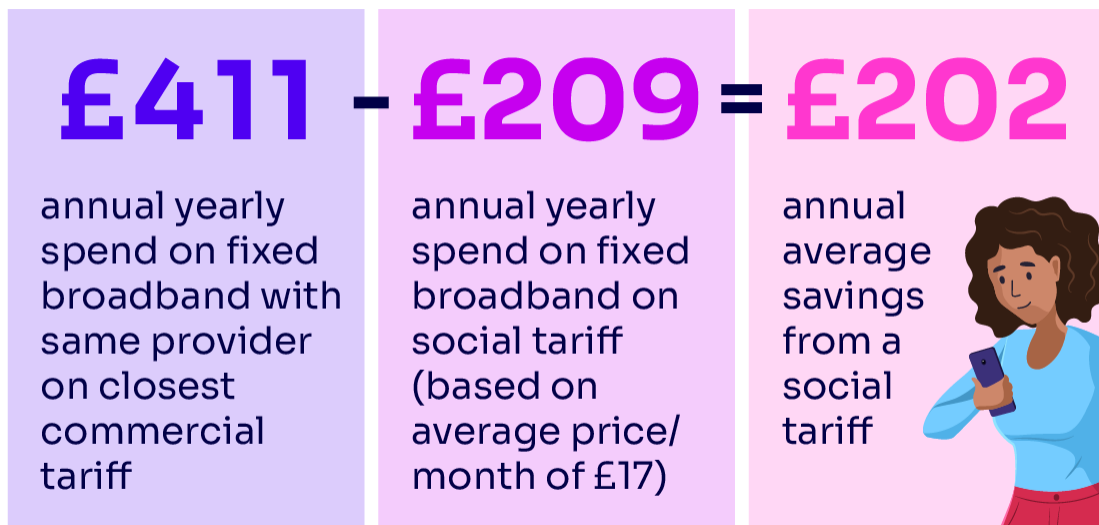
<sup>22</sup> Note that, as opposed to our previous analysis included in our February 2022 report, we do not have information on the actual spend of eligible households on fixed broadband services. We have approximated their spend using information on list prices of comparable commercial tariffs. As a result, our savings figure is not directly comparable to the £144 savings figure in our February 2022 report.

<sup>23</sup> The ratio of spend on fixed broadband to income can indicate the potential for affordability issues.

<sup>24</sup> We use ONS disposable income and expenditure data for the bottom decile (as a proxy for households eligible for Universal Credit). The average monthly disposable income after expenditure on housing, energy, food for the bottom decile is £648.

<sup>25</sup> The average monthly price is calculated as the simple arithmetic average of the prices of social tariffs providers listed in Table 3 offer. In calculating this average, we have not taken into account Virgin's 15Mbit/s social tariff with a monthly price of £12 as we consider that it doesn't meet all of the minimum criteria we have set. In addition, we have not taken into account Hyperoptic's 50 Mbit/s and 150Mbit/s social tariffs that additionally include free evening and weekend calls and are available for £18 and £23 per month respectively. The reason is that Hyperoptic also offers lower-priced versions of both these social tariffs without the call allowance; therefore, we have used these in the calculation of the monthly price.

social tariff would amount to £209. Therefore, the potential benefit from switching to a social tariff is substantial.



**Table 3: Consumer savings from social tariffs**

Provider and social tariff	Social tariff speed	Social tariff price per month	Comparable commercial tariff	Comparable commercial tariff speed	Comparable commercial tariff price per month	Monthly savings
<b>BT Home Essentials</b>	36 Mbit/s	£15.00	Fibre Essential, without landline	36 Mbit/s	£34.99	£19.99
<b>BT Home Essentials 2</b>	67 Mbit/s	£20.00	Full Fibre 2, without landline	74 Mbit/s	£41.99	£21.99
<b>Hyperoptic Fair Fibre 50</b>	50 Mbit/s	£15.00	Fast, broadband only	50 Mbit/s	£25.00	£10.00
<b>Hyperoptic Fair Fibre 150</b>	150 Mbit/s	£20.00	Superfast, broadband only	150 Mbit/s	£35.00	£15.00
<b>KCOM Full Fibre Flex</b>	30 Mbit/s	£14.99	Full Fibre Lite	30 Mbit/s	£32.99	£18.00
<b>NOW Broadband Basics</b>	36 Mbit/s	£20.00	Fab Fibre	36 Mbit/s	£32.00	£12.00
<b>Sky Broadband Basics</b>	36 Mbit/s	£20.00	Sky Superfast	36 Mbit/s	£35.50	£15.50
<b>Virgin Media Essential Broadband Plus</b>	54 Mbit/s	£20.00	M50 Fibre, broadband only	54 Mbit/s	£38.00	£18.00
<b>Vodafone Essentials Broadband</b>	38 Mbit/s	£12.00	Fibre 1	35 Mbit/s	£33.00	£21.00
<b>Monthly average</b>		<b>£17.44</b>			<b>£34.27</b>	<b>£16.83</b>
<b>Yearly average</b>		<b>£209.32</b>			<b>£411.29</b>	<b>£201.97</b>

*Source: Social tariff data has been taken from provider websites. Commercial tariff information comes from Ofcom's Pure Pricing data, using March 2023 data. We use the monthly charge not the average monthly charge which includes for any headline offer.*

## Younger, lower income families and those with someone who has an impacting or limiting condition would benefit more from a fixed broadband social tariff than others

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As shown earlier, our Communications Affordability Tracker research found that 6% of fixed-broadband households<sup>26</sup> found it difficult to afford their fixed broadband service; we estimate that to be around 1.4 million (+/- 400,000) UK households. 13% of households that were eligible for a social tariff, who had or recently had fixed broadband, faced an affordability issue with their fixed broadband service.

To further understand the demographic profiles and affordability issues faced by those eligible for fixed broadband social tariffs, we conducted a segmentation using survey data from April 2022 to January 2023.<sup>27</sup> This was based on demographic- and affordability-related variables and aimed to identify those least able to afford their communications services.

The analysis identified four distinct segments, which are outlined in detailed in our [technical annex](#). Households in one particular segment (Fixed 1) were much more likely to benefit from a social tariff, as these households were facing significant communications affordability issues. All households in this segment of consumers faced at least one communications affordability issue, and 39% faced a fixed broadband affordability issue specifically. They were more likely to have the following characteristics:



**Younger individuals**



**In larger households, half with at least one child**



**Receive lower household incomes than segments with a similar number of people in the household**



**Just under half are in full or part-time work**



**54% have someone in the household with an impacting or limiting condition**

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<sup>26</sup> The base of this calculation is households who own or previously owned (i.e. cancelled in the last month) a fixed broadband service.

<sup>27</sup> For more details on how the segmentation was conducted, please see the [technical annex](#).

## 5. Mobile broadband social tariffs

### The availability of social tariffs in the mobile broadband market is increasing

There are now three providers offering social tariffs in the mobile broadband market. At the time of our September 2022 report, Vodafone’s VOXI brand was the only provider offering a mobile broadband social tariff. Since then, EE, and Three’s SMARTY brand have introduced a social tariff.

The social tariffs offered by SMARTY and VOXI both offer unlimited data, calls, and texts, and offer 5G speeds where available. In comparison, although EE’s offering is similar in price, its social tariff provides more limited speed and data allowance per month. A summary of the current mobile broadband tariffs offered as of April 2023 is in Table 5.

In addition, Sky has made a free mobile data plan available which offers 3GB of data and unlimited calls and texts. This is only available for those customers already on its fixed broadband social tariff as opposed to being a standalone mobile social tariff.

**Table 4: Mobile broadband social tariffs, as of April 2023**

Provider and tariff	Price per month	Speed	Data, calls, and texts included	Additional eligible benefits*	Discount against provider’s closest commercial tariff
<b>EE Basics</b>	£12.00	Up to 25 Mbit/s	5GB data, unlimited calls, and texts		£6**
<b>SMARTY Social Tariff</b>	£12.00	5G where available	Unlimited data, calls, and texts		£8
<b>VOXI For Now</b>	£10.00	5G where available	Unlimited data, calls, and texts	Disability Allowance, PIP	£25

*Source: Social tariff data has been taken from provider websites. Commercial tariff information comes from Ofcom’s Pure Pricing data, using March 2023 data. We use the monthly charge not the average monthly charge which includes for any headline offer. Additionally, Sky offers a free mobile tariff for 12 months if the customer is on Sky Broadband Basics social tariff. This includes unlimited calls and 3GB of data. We do not include this in the table as it is not a standalone tariff.*

*\* All social tariffs are available to recipients of Universal Credit, Pension Credit, Employment Support Allowance, Job Seekers’ Allowance, Income Support*

*\*\* The closest equivalent EE tariff offers a speed of 100Mbit/s whereas the social tariff offers 25Mbit/s.*

Table 5 shows that consumers could expect to make meaningful savings from a social tariff, particularly from those that offer unlimited data. However, with the limited options available for mobile broadband social tariffs, many customers will be unable to be able to access more affordable mobile broadband deals without potentially incurring an ETC.

We continue to urge all mobile providers not offering a social tariff to do so. Of the major mobile network operators, while we understand O2 is exploring options to support its mobile customers, we call for O2 to introduce a mobile broadband social tariff.

We understand Vodafone has a policy that allows for its eligible customers to move to the VOXI mobile social tariff without charge. However, we understand a similar policy is not in place for Three customers to automatically move to its SMARTY social tariff, although it is one of the options that Three agents have for dealing with affordability concerns raised by its customers. However, we call on Three to show flexibility to allow its eligible customers to move to its SMARTY social tariff without penalty where possible, for example, where those customers are on a SIM-only deal.

## Protections provided by a mobile broadband social tariff

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Our September 2022 report highlighted the protections offered by a social tariff which differentiate them from commercial tariffs. Those protections can be summarised as:

- Cheaper than comparable commercial tariffs, with minimal setup costs.
- No charge to switch onto a social tariff offered by a customer's provider, and nothing to pay to leave it.
- The price of a social tariff will not go up mid-contract, and a customer will continue to pay what they agreed at the start of the contract.

These protections are common to all social tariffs, including those offered on mobile broadband. However, our more detailed look of mobile broadband social tariffs has identified additional factors and nuance to this market which providers and customers will need to consider.

Our assessment here comes with an understanding that the mobile broadband market includes different variables for consideration compared with the fixed broadband market, both for consumers taking up a social tariff, and for providers offering one. Data from our [Pricing trends for communications services in the UK report](#) shows that some UK mobile users have a pre-pay tariff (22%), but most have a pay-monthly tariff (78%), of which 43% incorporate a mobile handset into their tariff and 35% use a SIM-only subscription. Of those who incorporate a mobile handset into their tariff, some consumers have a single contract (67%), while others split their handset and airtime contracts (33%). Average data use in 2022 was estimated to have increased in 2022 to 6GB per month (up from 3.9GB in 2020) and the average monthly cost (excluding handset cost) for average mobile use in 2022 was £10.77. The average monthly price of mobile tariffs differed with a customer's data allowance.

### Switching to a mobile social tariff should be easy

The characteristics of some commercial mobile broadband tariffs means that customers should be able to switch seamlessly onto a social tariff without incurring an early termination charge. For example, we would expect SIM only customers and out-of-contract customers with any provider to be able to move onto a social tariff in this way. We would also expect customers with separate contracts for their phone, and for the accompanying plan (such as those with VOXI), to be able to change the latter without incurring ETCs.

Where contracted customers' monthly tariffs incorporate the cost of a handset, and where those customers are not within an upgrade window, we recognise that this may make it more difficult for a provider to move a customer to a social tariff. However, we expect providers should apply flexibility when considering what would best meet the consumer's needs. Customers facing affordability issues should contact their provider about what steps their provider can take to help them to cut their

costs. Ofcom's [Treating vulnerable customers fairly guide](#) suggests good practice measures that providers can adopt to help make sure they treat vulnerable people fairly, including those struggling to pay, and give them the help, support, and services they need. Section 7 highlights in more detail what this means.

Due to the nature of the service they use, ETCs will not apply to customers using a pre-pay service. Our [Tech Tracker research](#) indicates that this group are more likely to be less affluent (32% of consumers in the DE socio-economic group). Given the benefits offered by social tariffs, including being available at a reduced price with price stability, pre-pay customers on means-tested benefits may gain from moving onto a social tariff, particularly as they allow consumers to exit without charge.

## **Mobile broadband social tariffs should meet the needs of consumers**

It is important that social tariffs provide adequate services to meet the needs of those using them. For mobile broadband social tariffs, this means not only that the speed provided should be adequate for the needs of consumers, but also that consumers should receive adequate data, calls, and texts too.

Commercial mobile broadband tariffs often allow customers to include add-ons in their plan. However, customers using a social tariff should not need to buy an add-on in order to meet their central data, call, or text requirements.

Mobile internet-only customers are likely to place the greatest demands on their mobile broadband, given they lack access to a fixed broadband connection. Although VOXI and SMARTY's mobile broadband social tariff offerings provide users with unlimited data and 5G speeds, EE's offering has more limited provision for internet access, in terms of both speed and data. Whilst this is likely to meet the needs of many mobile consumers, it may not be sufficient for customers who are mobile internet-only; a group we know has more distinct affordability issues as explained in Section 2.

We call on mobile broadband providers to offer a social tariff which provides genuine solutions to affordability issues for all their customers, including those which are mobile internet-only. We consider this can be achieved by, for example, offering an unlimited data allowance.

## **Lower income families and those with a limiting condition would benefit most from a mobile broadband social tariff**

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As previously discussed, our Communications Affordability Tracker showed that in January 2023, 8% of households with a mobile found it difficult to afford their mobile service, which equates to around 2.3 million (+/-500,000) homes. Moreover, our research found that 13% of mobile internet-only households experienced affordability problems with their mobile service in January 2023.<sup>28</sup>

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<sup>28</sup> Mobile phone affordability issues only relate to the person in the household completing the and does not include everyone in that household.

The segmentation was based on multiple waves of the Communications Affordability Tracker and looked at those eligible for a mobile social tariff, to help identify those at most risk of being unable to afford their communications services.<sup>29</sup>

The analysis identified four distinct segments, which are outlined in detailed in our [technical annex](#). Households in one particular segment (Mobile 1) were much more likely to benefit from a social tariff; all households in this segment had any communications affordability issue, and 71% had an affordability issue with their mobile service specifically. They were more likely to have the following characteristics:



**Younger individuals**



**Households likely to have a child or multiple occupants**



**Receive lower household incomes than segments with a similar number of people in the household**



**63% are not in work or in part-time work**



**51% have someone in the household with an impacting or limiting condition**



**Use smartphones and the majority have a mobile-included or SIM only contract**

## There is a considerable overlap in characteristics between those who would benefit from fixed and mobile social tariffs

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Several of these characteristics were common across our analysis of mobile and fixed broadband users; including, that they are likely to be younger and be in part-time work or not in work. This is due to there being significant overlap in the individuals in both the segments deemed most at risk of experiencing an affordability issue with each service. Our segmentation found that of those in Mobile 1, 71% were also in segment Fixed 1.

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<sup>29</sup> The segmentation analysis was run on the four waves (April 2022, July 2022, October 2022, and January 2023) of the Communications Affordability Tracker. See the [technical annex](#) for more detail on the segmentation.



## 6. Promotion of social tariffs

Our research highlighted that increased awareness has come primarily from social media and television. Only 9% of respondents cited information from providers as the way that they first found out about social tariffs.

In our September 2022 report, we called for providers to do more to promote social tariffs and we outlined what we expected providers to be doing on their websites regarding social tariffs. We specified that:

- social tariffs should be prominent on the website;
- social tariffs should be easy to find in site and third-party searches;
- relevant pages should signpost social tariffs; and
- webpages should use clear language and highlight non-price protections.

In January and February 2023, we reviewed all social tariff webpages offered by fixed broadband providers against these expectations, and suggested improvements to all providers. We also called for them to highlight the additional protections that are available to social tariff customers, such as no mid-contract price rises. In doing this, we focused on concerns that some providers are making it unnecessarily difficult for customers to find out about social tariffs, which is not in line with the spirit of making social tariffs available. In addition, we looked at the general promotion activities of providers around social tariffs.

In our review, we focused on the webpages of fixed broadband providers where social tariffs are more established. However, the principles outlined in this section also apply to mobile providers with regard to their social tariff.

### Social tariffs should be prominent on the website

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Social tariffs should be prominent on the provider's website, for example, by including the social tariff in their list of broadband options and placing the social tariff webpage one click away from the home page. This could raise customer awareness of the existence of the social tariff, and help customers find out information about it easily.

We were pleased that all providers have a page that is dedicated to their social tariff. However, finding information about social tariffs on provider websites remains challenging in some cases. In particular, BT and Sky continue to have no clear navigation route to the social tariff from their home page or their main broadband page. In contrast, Vodafone and Virgin Media, as well as many of the smaller providers, do include their social tariff in their navigation or link to it from their main broadband home page, making it easier for customers to find information with one click from the home page or main broadband page.

### Social tariffs should be easy to find in site and third-party searches

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Social tariffs should be easy to find in a provider's site search, as well as on third-party websites and through Google searches.

We note that several providers have no search function on their website. This increases the importance of good website navigation and linking information about the social tariff to relevant help pages, as outlined below. However, even where search functionality was included on the website, only the Hyperoptic website found ‘social tariffs’ when searching for all the common terms that we tested.<sup>30</sup>

When searching on Google for ‘broadband social tariff’, no provider had paid to promote their webpage in the rankings. Sky was the only provider to be found on page one of the listings when searching for ‘broadband social tariff’ with BT, Virgin Media and Hyperoptic appearing on the second page of listings. We would expect larger providers to be on the first or second page of results and suggest this is an area for improvement to the providers’ search engine optimisation.

## Relevant pages should signpost social tariffs

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Another basic expectation is for social tariffs to be clearly mentioned on relevant help or FAQ pages, where consumers are looking for information about help with their bills.

We found that most large providers signposted the social tariff on relevant help pages or on pages related to cost-of-living issues. We suggest all providers review their help and FAQ pages to ensure that social tariffs are clearly signposted from relevant pages.

## Webpages should use clear language and highlight the protections social tariffs offer

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All social tariffs include protections in addition to a price discount. These protections include no mid-contract price rises and being able to switch onto and off a provider’s social tariff without being charged any fees. These protections are important features which can overcome some of the barriers to taking up a social tariff that we identified in our September 2022 report.

The research into the barriers to taking up a social tariff by consumers that we presented in our September 2022 report found that 91% of those eligible for a broadband social tariff said that it is important that they can leave their current contract without any fees. A similar proportion of eligible consumers (89%) said it is important that they can move between contracts with their current provider when needed. Protections such as the ability to switch onto and off their provider’s social tariffs without fees should help to address these priorities and reduce any concerns about hidden charges.

As a result, providers should ensure that information about the details of the social tariff are clearly outlined. This includes explaining what happens at the end of the tariff.

In our review of websites, we noted some examples of incorrect information on webpages which we highlighted to providers. Therefore, we recommend that all providers review their social tariff webpages to ensure that the information is accurate, clear, and understandable for consumers and highlights all the protections offered by social tariffs.

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<sup>30</sup> These were ‘benefits’, ‘Universal Credit’ and ‘social tariff’.

## Information should be targeted at customers most likely to need help

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In addition to having clear webpages and navigation, customer service teams should be fully briefed on and prompted to suggest social tariffs to customers who are struggling with their bill or are financially vulnerable. The promotion of social tariffs in this context was added as an expectation of the [Treating vulnerable customers fairly guide](#) in 2022. As a result, 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.

More broadly, we encourage an approach to promotion that targets households that are most likely to be eligible and in need of a social tariff. However, we recognise that identifying relevant households can be challenging for providers. Our segmentation analysis above may help providers understand the characteristics of groups that are most likely to be struggling and reflect on how they can use those insights to inform their promotional activity.

Working with third sector organisations or local authorities can also be helpful, as such organisations may already be engaging with households likely to need help. Some providers have highlighted that housing associations and similar bodies can play an important role in highlighting social tariffs to tenants who may be on low incomes, and we encourage closer co-operation between sectors where possible.

## 7. Consumers not eligible for a social tariff

Social tariffs play a crucial role in providing support to households that are struggling to afford their fixed and/or mobile broadband bills. However, social tariffs are only one part of the solution for addressing affordability issues. The use of means-tested benefits as a way of identifying households who are struggling is a reasonable approach, but it is not perfect. For example, many households who are eligible for a social tariff will not want or need it.

There will also be households that are struggling to pay their broadband bills who are not on the required benefits and therefore are not eligible for a social tariff. Given the importance of the internet today, it is vital to consider how such consumers can be supported so that they can continue to access broadband services.

In this section, we highlight the role of switching providers or tariffs for customers who are out of contract as a way of reducing the price of broadband services. We also outline additional measures for vulnerable customers.

In addition, some providers offer other types of targeted support to customers who may be struggling to pay. Some mobile providers, for example, give free SIM cards to vulnerable customers that are distributed through schemes such as the National Data Bank.

### Switching can help to reduce bills for customers who are out of contract

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Consumers who are out of contract could benefit from switching providers or tariffs and reducing their bill.

Switching can enable consumers to achieve significant savings. In our 2022 [Pricing trends for communications services in the UK report](#), over the first half of 2022, we analysed deals that combined superfast fixed broadband with landline services. This analysis showed the lowest available prices were, on average, 40% lower than the average price of all the services that we analysed over that period. In a similar exercise for SIM-only mobiles, the prices were also on average 40% lower than the average price of services that we analysed. As a result, consumers that shop around and switch providers are likely to be able to find a deal that is significantly cheaper.

We estimate that millions of customers are out of contract and therefore could move to an alternative tariff or provider without any penalty. Price comparison services can be a helpful tool in this process. They assist by setting out details of services and deals, helping consumers compare by provider and cost, and enabling them to identify which one might best fit their needs. Ofcom has accredited several price comparison services so far.<sup>31</sup>

The process to switch providers varies between fixed broadband and mobile broadband services, and also depends on whether switching provider will mean that the consumer is switching to an

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<sup>31</sup> Only those services which undergo a thorough, independent audit can be accredited by us; this makes sure that the information they provide is accurate, comprehensive, and easy to understand. We recently updated the rules of our scheme.

alternative network. Ofcom has published information to help consumers understand the different processes and the steps that they should take.<sup>32</sup>

## Support for customers that are financially vulnerable and may be in debt

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We have rules in place that cover how customers are treated when they have not paid their bills. Firstly, our General Conditions place obligations on communications providers to ensure that any measures they take to effect payment or disconnect services are proportionate and not unduly discriminatory.<sup>33</sup> Providers must publish details of the measures they may take to obtain payment or disconnection, where a customer has not paid all or part of a bill.<sup>34</sup> We also have rules requiring the fair treatment of vulnerable customers.<sup>35</sup>

In addition to those rules, our [Treating vulnerable customers fairly guide](#) suggests measures providers could adopt to ensure the fair treatment of vulnerable customers in a range of areas, including financially vulnerable people. This includes people who are facing problem debt or who are struggling to pay. The guide sets out that providers should recognise that customers who are in arrears are likely to be vulnerable and encourages providers to take extra measures to make sure customers in debt or customers struggling to meet their regular payments are treated fairly. This includes, where possible, not disconnecting customers, as disconnection is a serious step that should only be used as a last resort.

The guide's good practice for providers to consider before disconnecting a customer includes, for example:

- Proactively and prominently emphasising the provider support available for customers in debt in direct communications about payment and/or debt.
- Allowing a customer some time to get help, support and advice on how to manage their debts (without the threat of enforcement action or disconnection during the same period).
- Considering offering payment holidays or deferrals, or freezing additional fees and charges where a customer is experiencing problem debt.
- Asking questions to understand the customer's financial situation and ability to pay.
- Discussing and agreeing a realistic and reasonable payment plan which is flexible and repayable over a period of time and based on the customer's ability to pay.
- Offering tariff advice, whether that is switching to a cheaper or social tariff and considering waiving ETCs if a customer does switch tariff due to their debt.
- Making sure customers are aware of services that might cost more than they are expecting and discussing implementing bill or usage checkers and limits.

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<sup>32</sup> A new quicker switching process for landline and broadband services on all networks and technologies, One Touch Switch (OTS), was due to be launched from 3 April 2023 however because of industry delays the existing processes will continue to be used until OTS is ready.

<sup>33</sup> GC C3.11

<sup>34</sup> GC C3.12

<sup>35</sup> The General Conditions C5.1-5.5 require providers to have policies and procedures in place to make sure vulnerable customers are treated fairly.

- Including information in payment and collection related communications about where customers can access free debt advice.
- Referring customers to debt organisations or charities that can provide free debt advice and support.
- Making sure the customer can easily access their billing information to help prevent debt building up again in the future.

All the UK's biggest broadband, phone and pay-TV companies are also signed up to Ofcom's [Fairness for Customers commitments](#). These are a voluntary set of commitments that aim to help ensure people are always treated fairly by their provider. The commitments include:

- **Customers get a fair deal, which is right for their needs.** Providers offer customers packages that fit their needs and have a fair approach to pricing. Prices are clear and easy to understand.
- **Customers get the support they need when their circumstances make them vulnerable.** Providers understand and identify the characteristics, circumstances and needs of vulnerable customers - such as vulnerability due to a disability, age, mental illness or having recently been bereaved - and act to give them fair treatment and equal access to services too.

Ofcom monitors providers' practices against the Fairness for Customers commitments and our [Treating vulnerable customers fairly guide](#). We advise consumers in debt or who are struggling to pay their bills to always try to speak to their provider as soon as possible to explain their situation and access the support available.<sup>36</sup>

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<sup>36</sup> See the consumer advice page on the Ofcom website: [Unable to pay a bill?](#)

## 8. Conclusions and next steps

Social tariffs provide a way for low-income consumers to help to address their affordability concerns. More households are now benefitting from the price discount a social tariff offers but our research continues to indicate that households are facing financial pressures. Providers need to continue to do more to ensure that those with affordability concerns are aware of the help available.

### There has been progress in social tariffs since our September 2022 report

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We have seen positive steps taken by providers on social tariffs since our September 2022 report. There is greater availability of social tariffs across most major fixed broadband providers, with around 85% of fixed broadband customers now able to access a social tariff without switching provider or incurring an ETC. Our analysis suggests that, where eligible fixed broadband consumers move onto a social tariff, they can expect to make significant savings averaging around £202 per year, which can help reduce household financial pressures.

Providers have also made improvements to social tariffs which will help address barriers to take-up. We have seen the speeds of some fixed broadband social tariffs improve to superfast speeds, which will help meet the demands of households in need of a social tariff. Greater consistency across providers' eligibility criteria should help to provide more clarity to consumers on who can access a social tariff and make it easier for organisations aiming to promote awareness.

However, we urge providers to take further action.

### We urge fixed and mobile broadband providers without a social tariff to offer one

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We call on providers that do not currently offer a social tariff to offer one. We specifically urge TalkTalk in the fixed broadband market, and O2 in the mobile market, to offer a social tariff, to ensure their customers can access one if required. We would expect those providers not offering a social tariff to waive ETCs for any customers who are struggling to pay and wish to switch providers to access one.

### Social tariffs should meet the needs of eligible consumers

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In relation to fixed broadband social tariffs, our September 2022 report highlighted the importance of having reliable fixed broadband, with speed being relevant to that. We look for all fixed broadband social tariffs to offer superfast speeds and call on Community Fibre specifically to increase the speed of their social tariff accordingly. Providing adequate broadband speeds as part of a social tariff applies across fixed and mobile broadband markets, but in the mobile market, it also needs to be considered alongside the data allowance, calls, and texts. We call on mobile broadband providers to offer a social tariff which provides genuine solutions to affordability issues for all their customers, including those who are mobile internet-only. We consider this can be achieved by, for example, offering an unlimited data allowance.

## Providers should promote awareness of social tariffs and allow for easy sign-up

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Awareness of social tariffs among those eligible to receive one has increased and, at the same time, take-up of social tariffs has increased four-fold since our February 2022 report. This shows the importance of building awareness to ensure that those who stand to benefit from social tariffs know about them. However, it remains that the majority of those eligible remain unaware of the availability of social tariffs.

We urge providers to do more to actively promote their social tariffs and to ensure their customers can easily sign-up. We have highlighted in previous reports providers' lack of action in promoting their social tariffs. Our recent review of providers' social tariff webpages identified some key principles, which we expect all providers offering a social tariff to follow and we call on all providers to review their current webpages and make improvements where needed.

- Providers should make information about their social tariffs easily accessible. This includes by ensuring information is prominent on their website, and by ensuring information about social tariffs are highlighted and signposted alongside relevant material where customers may look for help with their bills, e.g., help pages and FAQs.
- Providers should ensure their social tariffs are easy to find through website search functions.
- Non-price protections are an aspect of social tariffs which consumers are not always aware of. These protections are important features in their own right, which can address reasons why some consumers do not take up a social tariff. Providers should ensure that information about the details of the social tariff are clearly outlined, including the non-price protections.
- We urge providers to undertake active promotion of social tariffs and to consider how best to that target eligible households that are most likely to need a social tariff.
- We also call on providers to work with other organisations such as those in the third sector and local authorities to target promotion of social tariffs to households most likely to be in need of help.

## Providers should also support customers with affordability concerns who are not eligible for a social tariff

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All major providers now include all means-tested benefits to form part of their eligibility criteria. However, there will be consumers not eligible for these benefits that require support so that they can maintain access to the internet.

Our [Treating vulnerable customers fairly guide](#) suggests good practice measures that providers can adopt to help make sure they treat vulnerable people fairly and give them the help, support, and services they need. The guide indicates steps providers should take before disconnection of a customer's service is considered, including that they offer tariff advice, whether that is switching to a cheaper tariff or social tariff.



## We will continue to monitor how UK households are being affected by cost-of-living pressures and push for greater awareness of social tariffs

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Our [Communications Affordability Tracker](#) will continue to assess consumers' attitudes and behaviours regarding the affordability of communications services, and how they change. Insights from each wave of the quarterly tracker will be published on the Ofcom [website](#).

We will provide further updates on social tariff availability, take-up, and consumer awareness in our [Pricing trends for communications services in the UK](#) reports, published on the Ofcom website.

We are continuing to work with consumer groups, government, and local government to raise awareness of social tariffs. We will continue to engage with providers already offering a social tariff on their awareness raising activity, and with providers not currently offering a social tariff on how they can do more to support those with affordability concerns. We will follow-up with providers on the calls we have made to them in this report.