

Dame Melanie Dawes
Chief Executive
Email: ChiefExecutive@ofcom.org.uk

7 July 2023

Dear Chief Executive,

Availability and awareness of social tariffs

Ensuring people can access affordable fixed and mobile broadband is a priority for Ofcom. The rising cost of living continues to place significant financial pressure on households across the UK. 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.

Increasing availability of social tariffs

We have consistently called on communications providers to offer and promote social tariffs. We welcome the introduction of social tariffs by an increasing number of providers, which means that today they are now available to 85% of fixed broadband customers.

We urge providers who have yet to introduce a social tariff to do so as soon as possible. The availability of a social tariff could have a huge impact for those customers who are struggling and currently missing out on potentially significant savings.

In the meantime, as an absolute minimum, we expect providers without a social tariff to waive any early termination charges for customers that are struggling to pay and wish to switch to a social tariff from a rival provider.

Steps providers should take to raise awareness

More needs to be done by the industry to promote social tariffs and make them easy to access. Our latest research has found that only 9% of eligible customers who are aware of social tariffs said they first heard about them through their provider.

Earlier this year, Ofcom published <u>recommendations for providers</u> aimed at improving awareness of social tariffs and the information available about them. We expect providers to take immediate steps to implement our recommendations.

We want providers to actively promote their social tariffs, including targeting those eligible households likely to be most in need of support. For example:

We expect providers to use their own communications channels to highlight social tariffs. This
includes end of contract notifications, and more targeted campaigns, for example social media
campaigns designed to raise customer awareness.

- Customer service teams should be fully briefed on social tariffs and empowered to suggest them to customers who are struggling with their bill or financially vulnerable. Last year the promotion of social tariffs was added into Ofcom's guide on fair treatment of vulnerable customers.
- Providers should work closely with other organisations, such as charities or local authorities, who are likely to be already engaging with households most in need of help.

We also want providers to make it simple to access information about their social tariffs, particularly on their websites, so customers can easily find out about the support available. For example:

- Ensure that social tariffs are prominent on their website, for example, by including the social tariff in the list of broadband deals available and placing the social tariff webpage one click away from the home page.
- Make social tariff information easy to find in site searches, as well as on third-party websites and through search engines.
- Clearly signpost social tariffs from webpages where customers may be looking for help, for example customer FAQs and help pages, and pages aimed at vulnerable customers and those having trouble paying bills.
- Use clear language to describe the benefits and protections offered by social tariffs, such as the
 ability to switch without a termination fee. Highlighting these features is important to overcome
 any customer perceptions that could act as barriers to take-up, as identified in our <u>September</u>
 2022 affordability report.

Next steps

We will be monitoring progress on social tariffs very closely. We will publish an update on the availability of social tariffs, take-up by provider and levels of consumer awareness in December.

In the meantime, we will arrange a discussion with your team to either understand your plans for introducing a social tariff, or set out the progress you have made, and plan to make, against the steps we have set out to help raise awareness.

Yours faithfully,

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