

Reference: 01743062

Information Requests  
[information.requests@ofcom.org.uk](mailto:information.requests@ofcom.org.uk)

18 January 2024

### Freedom of Information request: Right to know request

Thank you for your request for information concerning mid-contract price rises. This request was received on 2 January 2024 and we have considered it under the Freedom of Information Act 2000 (the "FOI Act").

#### Your request

*"I write in reference to the practice of Telephone companies having mid-term price increases, half way through their contracts.*

*I cannot think of anything that is more unfair and unreasonable.*

*When I have spoken to BT on this matter, their reply has always been "it is allowed and agreed with OFCOM.*

*Other than the telephone companies, I cannot find one single person that finds this fair, just, right or reasonable, it is totally unjust.*

*I have heard, this appalling practice is being looked into. Could you therefore please advise me if OFCON will continue to allow this unfair practice?*

*If the mid-term price increase is being revised, could you please advise at what stage we are at, also, the time table you propose?"*

#### Our response

Since 2020, providers have increasingly included price variation terms in customers' broadband, mobile and pay TV contracts, which enable them to increase prices for in-contract customers by an amount linked to a measure of inflation. We have had concerns about the potential impact of these inflation-linked price variation terms on consumers, and in the past Ofcom has made repeated calls for providers to exercise restraint in applying in-contract price rises.

On 12 December 2023, Ofcom published a [consultation](#) which proposes to prohibit inflation-linked price rises. We are concerned about the consumer harm that can result from contracts which contain a price variation term linked to a future rate of inflation, including that they do not provide customers with sufficient certainty about the prices they will pay. Therefore, we have proposed to introduce a new rule requiring that any price written into a customer's contract would need to be

set out in pounds and pence, prominently and transparently, at the point of sale. That includes being clear about when any changes to prices will occur. This would prevent providers from including inflation-linked, or percentage-based, price rise terms in all new contracts.

Further details of this can be found on our website via the [News Centre article](#) and the [consultation document](#) on prohibiting inflation-linked price rises.

This consultation period will end on 13 February 2024, and we plan to publish our final decision in spring 2024. We have proposed that the new rule would come into effect four months after the publication of our final decision.

If you have any further queries, then please send them to [information.requests@ofcom.org.uk](mailto:information.requests@ofcom.org.uk) quoting the reference number above in any future communications.

Yours sincerely

## Information Requests

If you are unhappy with the response you have received in relation to your request for information and/or consider that your request was refused without a reason valid under the law, you may ask for an internal review. If you ask us for an internal review of our decision, it will be subject to an independent review within Ofcom.

The following outcomes are possible:

- the original decision is upheld; or
- the original decision is reversed or modified.

### Timing

If you wish to exercise your right to an internal review **you should contact us within two months of the date of this letter**. There is no statutory deadline for responding to internal reviews and it will depend upon the complexity of the case. However, we aim to conclude all such reviews within 20 working days, and up to 40 working days in exceptional cases. We will keep you informed of the progress of any such review. If you wish to request an internal review, you should contact [information.requests@ofcom.org.uk](mailto:information.requests@ofcom.org.uk)

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. Further information about this, and the internal review process can be found on the Information Commissioner's Office [here](#). Alternatively, the Information Commissioner can be contacted at:

Information Commissioner's Office  
Wycliffe House  
Water Lane  
Wilmslow  
Cheshire  
SK9 5AF