

**The Rt Hon Liz Kendall MP**

Secretary of State for Science, Innovation and  
Technology

Dame Melanie Dawes

Chief Executive

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19 December 2025

**The Rt Hon Rachel Reeves MP**

Chancellor of the Exchequer

**By email only**

Dear Chancellor and Secretary of State,

Thank you for your letter of 25 November on telecoms pricing and transparency. I was pleased to meet the Secretary of State on 16 December, which gave us an opportunity to discuss these important issues. In my letters of 7 and 15 November, I set out Ofcom's response on the Secretary of State's initial questions, with some suggestions for further consideration. Here, I want to respond to the specific additional requests that you made in your 25 November letter.

We fully recognise that the cost of living continues to be a major issue for UK consumers and share your view that people need to feel empowered when interacting with the telecoms market, and confident they are getting a fair deal. This is why Ofcom has intervened in recent years to help customers navigate the market with confidence, and to ensure they are treated fairly by mobile and broadband providers.

To continue delivering on its commitment to consumers, Ofcom fully supports your plans to convene industry soon to underline the importance of treating customers fairly, especially at a time when household finances are under pressure from rising costs of living. We want a telecoms market where investment, innovation and competition can continue to thrive, where consumers have access to reliable services, are treated fairly, and where prices are clear and certain.

In your letter, you note our plans to publish a report in February 2026 with data on switching, consumers' confidence in navigating the market and the prices of telecoms services. The report will examine trends in the market in recent years, including since the introduction of the In-Contract Price Rise rules. As you requested, we will incorporate an initial assessment of the impact on consumers of the changes to our rules that require providers to set out any in-contract price rises upfront in pounds and pence, which came into effect in January.

In 2027, we will do a fuller review of the impact of our rule changes, including whether they are achieving their intended objective of providing billing transparency and giving customers clarity and certainty about what they will pay. We will also engage with DSIT officials on the Secretary of State's specific question in our meeting of 16 December about the pounds and pence rule and its impact on what consumers pay for bolt-ons, out-of-allowance call charges or international calls.

Finally, as you know, Ofcom is also working to deliver the strategy we set out in our [Three-Year Plan 2025-28](#), including supporting the Government's ambition for growth by encouraging investment in fixed broadband and mobile infrastructure. We will keep your officials closely in touch with this work and would be happy to explain it in more detail.

Yours sincerely,

Melanie Dawes

**MELANIE DAWES**