



**Communications
Consumer Panel**

and Advisory Committee for Older
and Disabled people



**Panel Defnyddwyr
Cyfathrebiadau**

a Phwyllgor Cyngori pobl Hŷn
ac Anabl

The Panel's National Stakeholder Hubs - October 2022

Topic of focus: Affordability of communications services and the role of communications providers in supporting consumers, citizens and micro-businesses in supporting people who are struggling financially.

The Panel believes that communications services should be available to all, as a right. In an increasingly digital world, digital access has become a lifeline for many people and without it, people are likely to find it difficult to engage with essential services such as healthcare and welfare.

We are extremely concerned that greater consumer reliance on digital services combined with increases in the cost of living will result in rising financial pressures for communications consumers, who could be forced to make difficult decisions, such as whether to heat their home or keep their internet connectivity. To ensure that consumers, citizens and micro-businesses remain able to engage digitally, we believe that communications providers should be doing more to proactively identify those who are struggling financially and provide sufficient, sustainable support tailored to the consumer's needs.

To deepen our understanding of the affordability issues facing communications consumers across the UK, we decided to check-in with our stakeholders and understand the issues facing the consumers they represent. We asked Hub participants what steps Ofcom or industry could take to help consumers, citizens and microbusinesses who are struggling financially, any barriers they face when trying to access support and any examples of best practice in other sectors.

The key messages we heard from our stakeholders are outlined below:

- **Available support in the communications sector does not meet the requirements of all consumers who are struggling financially and more should be done to understand where gaps lie and provide additional support/tailor support to individual requirements.**
- **Consumer awareness of available support in the communications sector is low and more needs to be done to promote support and reach consumers who are struggling financially.**
- **Consumers with additional communications requirements who rely on communications support services face additional costs and/or greater risk of exclusion.**
- **Greater collaboration across different sectors and adopting a cohesive, joined-up approach could help to reach more consumers in need of support.**
- **All consumers should be able to access a minimum level of digital connectivity without having to give up access to other essential services**



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Background

As the cost-of-living crisis continues to take hold and rising costs are forcing consumers, citizens and micro-businesses to make difficult financial decisions, we need to ensure that people who rely on communications services such as mobile, landline and broadband are supported and able to continue to use these services. We believe that being digitally connected is no longer a ‘nice to have’ but an essential service and equality of access is crucial to ensure that people don’t get left behind.

While we have welcomed the [commitments negotiated between UK Government and the main communications providers](#), and [Government plans to encourage social tariffs across the sector](#), we believe that more can and should be done.

Ofcom’s latest research on the affordability of communications services has found that an increasing number of consumers are facing affordability issues, however consumer take-up of social tariffs remains significantly low, despite eligible consumers being able to save up to £144 a year if they switch to a social tariff. We’re concerned that people are not aware of the support available to them and even if they are, there are barriers stopping them from seeking the support they need.

We invited Ofcom’s affordability policy team to provide Hub participants with an overview of its ongoing work to help communications consumers who are struggling to afford their communications services. The team covered key findings from its latest [research on the affordability of communications services](#) and recent changes to its [‘Treating Vulnerable Customers Fairly’](#) guide. Hub participants discussed the findings with the team and shared insights from their respective sectors.

An overview of our discussions with stakeholders across the UK.

See below for a summary of our discussions with stakeholders across the UK; a list of organisations who contributed to these sessions; and links to further information.

- **Available support in the communications sector does not meet the requirements of all consumers who are struggling financially and more should be done to understand where gaps lie and provide additional support/tailor support to individual needs.**
- Social tariffs currently available on the market did not meet the requirements of all consumers and Ofcom should consider reviewing the social tariffs available across the market.
- A cohort of consumers use mobile only services and would benefit from additional support in the mobile sector. Devices are expensive and some consumers cannot afford to buy a laptop/PC/tablet, particularly consumers who are struggling financially and may be reliant on mobile services only, having cancelled their home broadband and other communications services. Currently, only two providers offer a



mobile social tariff (at the time of the Hubs, only one provider offered a social tariff), which was considered a competition issue.

- Ofcom's research had found that people who were younger and/or were living with a condition that limited or impacted their use of communications services were more likely to be eligible for a social tariff.¹
- All consumers should be able to access a social tariff, regardless of their location. There were concerns that some consumers living in rural areas experience poor network quality with certain providers, therefore moving to a new provider who offers a social tariff would not always be an option.
- Whilst consumers in receipt of universal credit are automatically eligible to register for a social tariff, not all consumers in receipt of other benefits such as pension credit and carers allowance were eligible because the eligibility criteria varied by provider. It was felt that this could cause customer confusion and excluded a significant number of consumers in need of additional support.
- Carers UK's research on the cost of living had found that existing support in the communications sector was proving insufficient as unpaid carers who were struggling financially had resorted to cancelling their communications services.²
- All consumers should have the ability to access priority digital services and certain websites should be zero-rated e.g. health and welfare services.
- FSB had surveyed its members and found that people were struggling with business costs. It was noted that although Ofcom's affordability tracker focused on consumers, its SME research had found that a third of small businesses use residential products.
- CPs should make it easier for consumers to downgrade packages, however this would not be a viable option for all consumers and therefore, packages should be tailored to individual consumer needs. Consumers who require access to communications support such as BSL interpreters and video relay need high-speed, reliable connectivity at an affordable price, to be able to engage with communications services on an equal basis to other consumers.
- Provision of free SIM cards to consumers who are struggling financially has been welcomed, however the SIMs only last a short period of time.
- Ofcom's research had identified the most common barriers for consumers when signing up for a social tariff, which were echoed by participants. These included that CPs required the social tariff to be in the recipients' name; consumers believing that the service will not be as reliable; and most social tariffs did not include Pay-TV.
- Participants were keen to understand the consumer journey for consumers signing up to a social tariff including the reasons why consumers moved to a social tariff and their experiences.
- Terminology surrounding social tariffs could be clearer and more user-friendly.

¹ [Affordability of communications services - September 2022](#)

² [Heading for crisis: Caught between caring and rising costs](#)



- There could be a stigma around consumers applying for a social tariff, which should be explored and, if in existence, tackled to increase uptake.
 - It was questioned whether CPs should implement mid-contract price rises as inflation had risen significantly. Which? had called for CPs that do implement annual increases to allow consumers to switch to a provider that doesn't, free of charge.
- **Consumer awareness of available support in the communications sector is low and more needs to be done to promote support and reach consumers who are struggling financially.**
- Consumer and citizen awareness of social tariffs is low and more should be done to widely promote social tariffs using both online and offline channels, targeting those who need support the most. Ofcom's recent research had found that only 3.2% of eligible households had signed up to a social tariff.³
 - Promoting social tariffs using offline channels was important to reach those who may not engage digitally, and it was suggested that information leaflets be shared with job centres and libraries. It was noted that leaflets were being developed across the UK Nations.
 - CPs should signpost consumers to debt advisory organisations and ensure that front-line staff were aware of support available across all of the UK Nations so information could be disseminated effectively.
 - Price comparison websites should include information on social tariffs, including comparisons between social tariffs on offer and other mainstream tariffs.
 - It was recognised that CPs are not financially incentivised to promote social tariffs and, as they are currently working under a voluntary model, were not obligated to do so. Citizens Advice had published a discussion paper on social tariffs, which included potential funding options under a voluntary model. Participants noted that Ofcom did not have the powers to require CPs to introduce social tariffs and, to do so, would need a Direction from UK Government.
 - It was questioned whether Ofcom should publish, by provider, the number of customers who had signed up for a social tariff to avoid providers simply having a social tariff available as a tick box exercise.
 - Raising awareness of social tariffs was supported, however it was highlighted that CPs also needed to ensure that consumers were able to speak to a customer service agent, without long delays, using a variety of accessible channels.
- **Consumers with additional communications requirements who rely on communications support services face additional costs and/or greater risk of exclusion.**

³ [Which? Broadband customers could face hikes of up to £113 in 2023](#)



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- People with additional access requirements are likely to require additional services e.g. note taking, interpreting and/or a faster connection, which is likely to result in paying a premium. Ofcom's research had also found that consumers with long-term and/or impacting health conditions were likely to be in receipt of benefits.
 - Communications services are a lifeline for people with additional access requirements who are isolating or living alone, however the cost of living is forcing consumers to switch-off from their devices.
 - The communications sector should consider the quality of a social tariff, not only the cost, as some consumers with additional access requirements rely on faster speeds to communicate and therefore, downgrading their packages is not viable option.
 - As health technology develops, more people can live a better quality of life from their homes, rather than residing in healthcare facilities e.g. hospitals, however consumers face increasing utility costs as a result.
- **Greater collaboration across different sectors and adopting a cohesive, joined-up approach could help to reach more consumers.**
- Greater collaboration across different sectors would foster a joined-up approach and help to ensure that support is available to those who need it.
 - CPs engagement with third parties who were acting on behalf of customers requiring support, including debt advisory organisations, could be improved to ensure that customers can receive the support they require by streamlining internal processes and removing barriers.
 - DWP has introduced an application programming interface so CPs can easily check whether a customer is on universal credit and participants believed that all CPs should sign-up to streamline processes.
 - Customers deemed eligible for a social tariff in the telecoms market, are likely to be eligible for support in other markets e.g. water and energy, and therefore, regulators could work together to reach more consumers and possibly implement a single social tariff.
 - UK government and devolved governments should help promote available support to consumers.
 - Consumers should be educated on financial matters throughout their lives, starting from an early age.

All consumers should be able to access a minimum level of digital connectivity, without missing out on other essential services, as right for all.

- Digital connectivity has become an essential service and consumers should be able to access a basic level of connectivity, particularly to engage with health and



welfare services. It was noted that Digital Communities Wales had called for a Welsh Minimum Digital Standard.⁴

- Communications services are a lifeline for people, particularly those who need to engage with welfare and healthcare service and/or are isolating/living alone.
- People who are unable to engage digitally/can't afford smartphones are at an immediate disadvantage as they are unable to use price comparison websites and/or access online discounts.
- Participants felt that Ofcom should have greater powers to enforce a minimum level of digital access.

For a list of stakeholders who took part in our discussions - please see below.

- Advice Direct Scotland
- Age Scotland
- Age UK
- The Alliance
- Carers Wales
- Cedar Foundation
- Citizens Advice Scotland
- Competition and Markets Authority
- Consumer Council for Northern Ireland
- Consumer Council for Water
- Consumer Scotland
- Countryside Alliance
- Department of Finance
- Digital Communities Wales
- Digital Health and Care Wales
- Digital Poverty Alliance
- Disability Action
- Essential Services Access Network

- Federation of Small Businesses
- Good Things Foundation
- Mind
- Money and Mental Health Policy Institute
- National Association of Deafened People
- NFU Scotland
- Ofcom
- Ofcom's Advisory Committees
- People Know How
- QMU Dispute Resolution Centre
- Royal National Institute of Blind People
- Society of Chief Officers of Trading Standards in Scotland
- Unite - Retired Members Branch
- Welsh Government
- Which?

For links to research and insights shared by participants across the Hubs - please see below.

- [Ofcom: Affordability of communications services - September 2022](#)

⁴ [Towards a Minimum Digital Living Standard for Wales: Project Update](#)



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- [Ofcom: SME consumer experience in the communications market - October 2022](#)
- [Good Things Foundation: Supporting people with data connectivity](#)
- [People Know How: Connectivity Now](#)
- [Which? Cost of living campaign](#)
- [Which? Broadband customers could face hikes of up to £113 in 2023](#)
- [Which? An agenda for business to support consumers through the cost of living crisis](#)
- [Citizens Advice: Mid-contract price rises](#)
- [Citizens Advice: Current impact and future potential of broadband social tariffs: a discussion paper from Citizens Advice](#)
- [Citizens Advice Scotland: The hidden part of the cost of living crisis](#)
- [Towards a Welsh minimum digital living standard: interim report](#)
- [Heading for crisis: Caught between caring and rising costs](#)
- [Nominet Digital Youth Index](#)

For more information on recent discussions across the Panel's National Hubs - please see below. A summary of all previous discussions can be found on the Panel's website [here](#).

- In July 2022, Ofcom's Market Research team provided insights from Ofcom's Making Sense of Media programme, which seeks to help improve the online skills, knowledge and understanding of people living in the UK - and participants discussed the findings and online experiences of the consumers they represent. To read a summary of our discussions and see who took part, [please click here](#).
- In January and February 2022, Ofcom's post policy team provided an overview of its policy proposals for the future of postal regulation and participants discussed consumers, citizens and micro-businesses experiences of the postal sector across the UK. The outputs fed into the Panel's response to Ofcom's consultation on the future of postal regulation. [Click here to read a summary of our discussions across the UK and see who took part](#).
- In October 2021, Hub participants explored what excellent customer service looks like and considered the benefits of communications providers developing a Customer Charter. To read a summary of our discussions and see who took part, [please click here](#).
- In June and July 2021, Hub participants fed into our think-piece on making communications services inclusive and accessible - [published here](#). To read a summary of our discussions and see who took part [please click here](#).
- In May 2021, we held our first UK-wide Hub, bringing together consumer representatives across each of the UK Nations to discuss the potential impacts of migration to voice-over IP on consumers, citizens and micro-businesses. [Please click here to read a summary of our discussions and see who took part](#).
- In April 2021, our discussions focused on digital inclusion, skills and confidence; and the importance of equipping consumers, citizens and micro-businesses with the necessary tools to participate digitally. [Please click here to read a summary of our discussions](#), including the key messages and a list of stakeholders who took part.