



Communications Consumer Panel

and Advisory Committee for Older
and Disabled people

Social Tariffs: keeping people connected when money is tight



Communications Consumer Panel Executive Summary

December 2023

Contents

Foreword	3
Social tariffs	3
Main Findings	4
Findings: the importance of raising awareness.....	4
Findings: Promoting the benefits of social tariffs.....	6
Case studies	8
Recommendations	11
Annex 1.....	12

Foreword

The Communications Consumer Panel (CCP) believes that access to reliable, robust and affordable digital communications services should be a right for all consumers. Digital communications services are an essential gateway to many other aspects of daily life and are as important to UK citizens and consumers as utilities like gas, electricity, and water.

For this access to be a reality, consumers also need to be aware of the support available when services become less affordable for them. This research has highlighted that communications providers need to do more to raise awareness of social tariffs among their customers and staff, so that when money is tight, more people can stay connected to the services they rely on.

“It’s purely because somebody else told me (Martin Lewis, ‘MoneySavingExpert’) - not a government body, not an organisation, not a charity, not the actual companies themselves, advertising to say you can have this - I saw absolutely nothing.”

Social tariffs

Our consumer research has consistently demonstrated UK consumers and citizens’ reliance on communications services - particularly so during the pandemic. In almost all aspects of UK consumers’ functional lives - be it banking, shopping, claiming benefits, applying for jobs, working or studying from home, educating children or booking medical appointments - digital communications services can be an enabler. Digital communications also have the potential to enhance consumers’ and citizens’ quality of life and emotional well-being, including enabling them to keep in touch with family and support networks using voice, text or social media such as WhatsApp.

Social Tariffs are cheaper broadband and mobile contracts designed to help ensure that people are not excluded or marginalised by unaffordable connectivity prices. Social tariffs are aimed at people who have a low income and are available to an estimated 4.3 million households that receive one of a range of government benefits. The packages offer superfast speeds, could cut the annual cost of broadband in half and offer a price freeze for the duration of the contract¹.

Although take-up of social tariffs has quadrupled since January 2022, [Ofcom’s research](#) shows that just 220,000 (5.1%) of eligible households were signed up to these deals in early 2023. Not enough people are getting the help they need. Part of this is due to a lack of awareness - Ofcom’s research found that more than half of eligible households (53%) were unaware of the existence of social tariffs.

The Panel undertook this research to uncover further details about the barriers to accessing social tariffs, but also to explore the experience of people who were aware of

¹ <https://www.ofcom.org.uk/news-centre/2023/half-of-low-income-households-in-dark-over-broadband-social-tariffs>

social tariffs and who have accessed them. This research consisted of 46 individual in-depth interviews with people who were aware of and eligible for social tariffs, meaning that they were in receipt of at least one qualifying benefit. The fieldwork was conducted in April to June 2023. More information about the detailed objectives and methodology can be found at Annex 1. The aim was to provide insights that will help us to advise Ofcom, policymakers and industry about the needs of financially vulnerable consumers in the communications sector.

Main Findings

- Mobile and broadband were seen by many participants as essential services. This was particularly true for participants with low incomes and/or additional access requirements.
- Mobile and broadband are required for everyday ‘life admin’ and on occasion, for health-related emergencies. They are also important for mental well-being and provide entertainment when people can’t leave home;
- The concept of social tariffs was well received and perceived to make sense in light of the current cost of living crisis, and the need for people, regardless of income, to stay connected;
- Lack of awareness of social tariffs was the biggest, umbrella issue preventing uptake among participants. This was particularly true for mobile social tariffs which seem to be relatively unknown;
- This extends to a lack of understanding about the benefits of taking out a social tariff and uncertainty about what the application process might entail;
- Those who had signed up to social tariffs tended to be positive overall. They often felt that the process was simple and straightforward and ultimately had saved them a significant amount of money each month;
- Those that had taken out a social tariff, particularly for broadband, stated that they were satisfied with the product. These tariffs were generally acknowledged to be cheaper compared to what else is on the market and many appreciated that the price would not suddenly increase once the contract came to an end.
- Negative experiences were more likely to occur at initial sign-up stage and tended to be related to the process rather than the ‘product’ itself.

Findings: the importance of raising awareness

The research suggests that raising awareness of social tariffs should be a priority and can be achieved in a number of ways as outlined below. This should extend to broadband and mobile social tariffs.

Benefits agencies seem well placed to offer information

Many participants saw benefits agencies, such as the DWP, as an authority when it came to accessing benefits and financial support. A number of participants referenced DWP as an organisation that they would expect to be knowledgeable and to promote social tariffs as it would be in the government's 'best interest' to ensure people were accessing the help they were entitled to. This would also add legitimacy for those that were worried about social tariffs being an inferior product.

It was also felt to make sense on a practical level as many participants stated that they were in regular contact with DWP with regards to the benefits they received. This contact could involve sending and receiving letters and emails from the benefits agency, online 'journaling' for Universal Credit and also, in-person meetings or interviews via Jobcentre Plus.

Therefore, many people highlighted the fact that there were a number of platforms available for benefits agencies to engage with them and promote social tariffs including:

- Putting up posters or flyers in benefits offices;
- Mentioning social tariffs at the bottom of official letters and/or emails;
- Mentioning social tariffs in the Universal Credit 'inbox' or account;
- Information leaflets about ways to make your money go further, including the use of social tariffs. A few people were very keen on this, and for benefits agencies such as DWP to keep them informed of the latest deals that may be applicable to those on eligible benefits.

Communications providers to push social tariffs more proactively

Many participants felt that communications providers should ensure that information about social tariffs features more prominently on their websites and is promoted alongside the 'regular' deals. Currently it could feel that information about social tariffs was 'hidden' or 'buried' behind the more commercial deals and as such could feel like an inferior product, or that providers did not want customers accessing these tariffs.

Participants also often called for better training on social tariffs for customer service representatives to enable them to support customers including:

- Having a greater understanding of social tariffs; how they work, what is typically included in the package, the options available, who is eligible and what is needed to sign up;
- To be patient and mindful of different peoples' situations and the challenges they may be facing;
- To look out for signs that a customer is struggling financially, for example if they are asking for cheaper offers, having problems paying their bills, downgrading packages for cost reasons. This could then prompt a conversation around social tariffs and whether the customer may be eligible.

Some participants also felt that communications providers should do more to actively promote social tariffs and to engage consumers directly, rather than customers having to ask. This could include:

- Contacting those registered as having additional needs or those on the priority fault repair list. A couple of participants had been contacted by their provider as a result of this and felt that it was important. Others could see that there would be a number of people on those lists that would potentially be eligible for social tariffs;
- Promoting social tariffs more widely in customer communications such as at the bottom of bills. For example, 'Are you on benefits and struggling with bills?'
- That said, a few participants also understood that promoting social tariffs was not in the interest of communications providers given that they would be selling cheaper packages and that this may therefore be difficult to achieve.

Promoting social tariffs more widely

- Some participants also wondered why there wasn't a general advertising campaign in order to reach a wider audience. Some also felt that this could be more widely publicised on TV on shows that deal with consumer issues such as This Morning or The One Show.
- Others were keen to see social tariffs being more heavily promoted on social media, more specifically on channels or groups that people access for help with their finances. For example, Facebook groups for those on Universal Credit or via Martin Lewis.
- Some also referenced charities such as Citizens Advice as they also felt well placed to support and educate people about ways to save money.
- One participant in the sample had looked at the Ofcom website to understand more about which providers offered social tariffs and found that this was not an exhaustive list. He ended up taking a social tariff with a provider covering rural Cornwall after they put a general flyer through his letterbox but had been unsure as to why (at the time) this provider was not listed with Ofcom.

Findings: promoting the benefits of social tariffs

This research also highlights the need to promote the benefits of social tariffs via promotional messaging to ensure that those that are eligible feel confident and reassured that the product is suitable for them and that the application process is straightforward, quick and easy.

Based on the reported issues and barriers encountered to taking out a social tariff, messaging should focus on telling potential customers that social tariffs offer:

- **Good value and are worth the effort.** Messaging should make a direct comparison to 'regular' deals and highlight the fact that social tariffs are typically x% cheaper than a standard package of same speeds and that they do not massively increase in price when the contract ends;

- **Easy to sign up.** Messaging should focus on how quick the process can be, that it only takes 5-10 minutes to do, that it can be done online or over the phone and that people only need to provide their NI number. Where possible, messaging could reference 'regular' deals and that sign-up follows much the same process;
- **Simplicity in terms of proving eligibility.** Messaging should reassure potential customers that they only need to provide a very basic level of information e.g. a National Insurance number to prove their eligibility
- **Good speeds.** Many people struggle to understand speeds and what different broadband speeds enable them to do. Messaging should focus on educating people about this for example 'x Mbps will enable a family of four people to watch streaming services, do their homework and surf the net'. It is also worth mentioning that there could be some flexibility to swap to a social tariff offering a faster speed where relevant and appropriate;
- **Quick and simple set up:** It would be helpful to make it clear that it is simply a case of plugging in the new equipment or an engineer can set up it for them if needed. The new social tariff can be 'switched on' easily and that they will be not left with any gaps in their service.

In terms of format, and how this information is presented, most participants said that they found it easier to engage with diagrams depicting typical consumer journeys. Some reported that they could struggle with lots of text and small print. Participants also wanted to see simple, easy to understand language that would be easily accessible for the majority of people.

Tone of voice will also be important here. Participants said that they wanted information to be presented in a friendly and helpful way, that should also offer reassurance that this was a legitimate and worthwhile offer. They also want to feel that social tariffs are for them, that they are entitled to take one out, and that this is not an inferior product for people that can't afford a 'regular' tariff.

Case studies:

Beth, Joe, Carl and Linda rely on communications services and are eligible for social tariffs. Their stories highlight typical experiences of participants in this research.

Beth

Broadband is essential when looking for work

Profile

Beth is in her mid-thirties and lives with her partner and 2 young children just outside Edinburgh. Beth has anxiety and so has not been working but is currently looking to get back into work. Her partner works but income can be inconsistent, as he is self-employed. Beth is receiving Job Seeker's Allowance. She has had to find ways to make money go further - including batch cooking, buying own brand products at the supermarket and cutting down their TV package with Virgin.

Role of broadband

Beth currently has a broadband package. She's 8 months into an 18-month contract and pays around £45 per month. She's not sure what speeds she gets with this but thinks it is fibre optic. She worries that these contracts can go up suddenly as that is what has happened with her mobile phone.

Broadband is very important for the household. The children need it to do their homework and to watch their favourite shows. Beth also needs it to look for work and check her emails. Also, she relies on the broadband to keep in touch and socialise through WhatsApp and social media. She doesn't really like going out much at the moment, and with finances being so tight, she wants to try and save money by staying at home. She thinks the family would be lost without it.

"I feel like it helps me to socialise with the outside world when I'm stuck in here. And it's not that I'm 'stuck' in here, it's just that sometimes I don't really want to go out. It means I can communicate with friends and family. And even things like TikTok... I know it sounds silly but it really does help when you're just sitting."

Joe

Consumers need to be aware that they could switch to a social tariff without penalty

Profile

Joe is in his 50s and lives in social housing with his two children, plus his partner and her two children. Joe has MS, arthritis and diabetes, which also impacts on his mental health. His partner is his full-time carer and she also cares for one of her children who has an eating disorder. He receives Employment and Support Allowance.

Role of broadband

Joe relies on broadband for accessing entertainment, as he can't get out of the house much and goes out around once a week. It's also an essential for the children's schoolwork.

Affordability and reliability have been issues. A year ago, Joe moved to a one-year contract. He also decided not to get a landline to try and save money. He pays less than half what he used to pay with his previous supplier, which he's pleased about. However, the speed is lower, and they have intermittent issues.

Joe says it's been a nightmare for his children, who are trying to do coursework for sixth form college. It's hard to get hold of customer service and get help.

When he comes out of contract, Joe says he will look for a social tariff. He saw that Martin Lewis mentioned them, which prompted him to browse the internet to find out more. He has found a deal that he would be happy to move to.

"If you get a social tariff, you still want the same service. You don't want something inferior. I'd hate to think that because it was cheap it wasn't as good. I don't want to feel like second class."

Carl

Mobile is essential - has a broadband social tariff but wasn't aware of mobile social tariffs

Profile

Carl is 55 and lives with his partner in the West Midlands. He previously worked in education but has been unable to work due to long term illness. Carl has recently had a pacemaker fitted. He often feels extremely tired and is limited in terms of the level of physical activity he can do. He would like to get back to work but is unsure what he could do given his health problems.

Carl has found it hard to adapt to life without his usual wage coming in. He has recently been in contact with a financial information charity as he has been finding it hard to manage with the money he has.

Role of mobile

Carl feels that his mobile phone is a lifeline for him. He wants to live as independently as possible, and to get out and about to keep his fitness levels up. His mobile phone has been enabling him to do that as he can take it with him and call for help if needed.

Carl is relatively confident when it comes to negotiating new mobile packages. He would tend to look up options on price comparison websites first - and then rings his current provider to see what they can offer. He finds it quite simple. Carl has a broadband social tariff - he signed up to one having read that could on Martin Lewis' website - but he didn't know he could get one for mobile.

“I see it now like my lifeline because I’m not in the best of health. So, if I am out and about on my bike, I need it in case I need to phone up and say ‘well look I need a taxi or something ‘cause I’m too knackered, I’ve done it too much’... that sort of thing. But also, to keep in touch with family and friends as well.”

Linda

Communications providers’ front-line staff need to be made more aware of social tariffs, to be able to help customers

Profile

Linda is in her 40s and lives in Wales. She has some income as a self-employed cleaner. She receives Universal Credit plus Disability Living Allowance for her teenage daughter who is now home-schooled following difficulties at school. Her daughter is awaiting neuro-assessment as she has panic attacks, anxiety, depression and may be autistic. Linda also has depression.

Role of communications services

Linda relies on her phone for work, via the app she uses to get cleaning contracts, and for her Universal Credit journal. Broadband is essential for her daughter’s home-schooling and online counselling. They also like to watch TV and streaming services together.

Challenges experienced

Money is very tight. Linda doesn’t go out much and has cut out all luxuries. She had to book a train to a funeral recently, and she had to split the fare payments over a few months so that she could afford it.

For mobile, Linda switched both her and her daughter to sim only once they had come out of contracts. For broadband, her provider was unhelpful and unclear on social tariffs. She didn’t understand why they said they would have to come to the house to change something, so she gave up. She is nervous about a switchover to a new provider as she and her daughter rely on broadband so much.

“If you were speaking to someone who is trained when you get through, then they would be a bit more empathetic... They need a lot of training and an option for people to choose on the phone rather than going round and round in circles.”

Recommendations

Overall, the research suggests that social tariffs can work well for people who are eligible and able to access and use them. However, what is vital is awareness of the tariffs and the process of accessing them.

We recommend:

Collaboration to address affordability issues and raise awareness of support:

communications providers, Ofcom and government departments across the UK should work together to raise awareness of social tariffs and other products and services designed to help keep consumers connected affordably. They should also consider other options for those who are not eligible for social tariffs, but require support.

- Government and Ofcom should work together to understand what would incentivise communications providers to better serve consumers who qualify for social tariffs and consumers who do not qualify for social tariffs but need additional support to stay connected affordably.
- Keeping consumers connected affordably is everyone's responsibility: UK and devolved governments, Ofcom, communications providers, retailers and trusted third parties who can support and advise consumers (such as charities and front-line benefits advisers).
- We often hear from research participants that the communications market is complex and hard to navigate. Educating the next generation of communications consumers on being an informed consumer is vital - the curriculum should include lessons in financial capability and financial literacy.

Easy to find information: communications providers should display information on their website about social tariffs and other support they can provide for consumers struggling to pay their bills:

- this should be no more than one click from the homepage
- the information should be accessible to those who don't use their providers website, by promoting it on bills and other literature;

Clear information: those promoting social tariffs should use messaging that is clear and unambiguous:

- be clear that taking out a social tariff will not affect eligibility for benefits;
- make it easy for people to understand that they can exit their current tariff and switch to a social tariff with the same provider, without penalty;
- explain clearly what a consumer taking up a social tariff will be able to do if they sign up to that tariff - mobile data and broadband speeds can be confusing for some consumers to interpret, creating a situation where consumers overpay to ensure they have 'enough';

- some consumers may not benefit from a social tariff, but from other ways of reducing their costs - work with consumers to help them to stay affordably connected, by tailoring the social tariff or providing alternative options;
- some consumers with a low income will not be in a position to take up a contract, due to transient living circumstances (for example, if they are homeless, a gypsy traveller, living in a short-term rental property or a 'couch-surfer') - communications providers should provide and promote affordable options for consumers in underserved groups;

Know your customer: communications providers should get to know their customer base and train front-line staff to understand the diverse needs of customers and recommend more cost-effective products and services that still offer the level of connectivity needed.

- agents should be incentivised on knowing the customer and keeping the customer connected, rather than upselling or aggressive customer retention activity.
- retail businesses that sell phone packages should inform their agents about social tariffs and other types of support they can offer, to ensure that they match consumers with affordable services and keep them connected when money is tight.

Next steps:

Since commissioning this independent research, we have met with stakeholders who participate in each of our National Stakeholder Hubs, representing consumers, citizens and micro-businesses across the UK. Those representing people with low or unpredictable incomes fed into the above recommendations and also advised us that social tariffs are a solution - but not the only solution to connecting consumers, citizens and micro-businesses and keeping them connected when money is tight. For many, even the current social tariffs available are still unaffordable and more work needs to be done by industry and the government, with input from Ofcom, to ensure consumers are not marginalised or excluded from participating in digital connectivity by a lack of affordability.

We also met with communications providers who participate in our Industry Forum. They told us about initiatives they have in place that may help consumers to stay connected when money is tight, whether or not a social tariff applies to them. We urged them to promote those initiatives to all consumers, as any consumer can become financially vulnerable at any time. We have published some of their initiatives on our website [here](#).

Annex 1

Detailed research objectives

There were also a number of detailed research objectives which are detailed below.

Understanding context:

- To understand the consumer's living situation in terms housing and their financial circumstances.

Exploring the role of communication services:

- Which communications services are used and have they ever tried to reduce their package or to cut down on their bill?;
- What have they done, or would do if they signed up to a deal that they could no longer afford or no longer offered value for money?;
- What is the role of communications services? What do these services enable them to do in their lives and what kind of value do they place on them?

Understanding decision making and how consumers approach the market:

- In what ways do they educate themselves about the contracts and deals available to them?;
- Who do they speak to and where do they go to find out information about purchasing communications services?;
- Who do they buy from and how do they decide to buy?;
- What are the main criteria they take into account when purchasing new contracts?

Unpicking experiences with social tariffs:

- What are the barriers to taking out a social tariff?;
- What may have caused people to drop out of the application process?;
- For those that have taken out a social tariff, how did they find the experience? What worked well or less well?;
- What would they like to see in terms of improvement?

Methodology and sample

This research consisted of **46 individual in-depth interviews**. 17 of these were conducted face-to-face in the person's home and 29 were conducted online via Zoom. The mixed methodology approach was designed to offer participants the choice of how they would like to take part and to make the research as inclusive as possible.

Each session lasted around 45-60 minutes, depending on participant preferences.

All participants were recruited to be at least aware of and eligible for social tariffs, meaning that they were in receipt of at least one qualifying benefit. This included Universal Credit, Pension Credit, Employment and Support Allowance, Job Seeker's Allowance, Income Support, and Carer's Allowance. The participants included in this study had different levels of experience with social tariffs.

The fieldwork was conducted in April to June 2023.

- **All participants were asked to complete a simple pre-task exercise prior to their interview.** This involved them having to note down how they became aware of social tariffs and if they had ever applied for one. Participants who had taken out a social tariff, or had tried to take one out, were also asked to think about the process of doing so. This included detailing what they felt went well, what may have gone less well, and what they would like to see improved in the future.

Participants were given an option in terms of how they wanted to complete this exercise, including via email, pen and paper or via WhatsApp and Jigsaw's online research platform, Whycatcher.

- **Participants who had not taken out a social tariff or were less familiar with available options were also shown stimulus materials** to help to 'educate' them for the purposes of the research. This included sharing details of existing social tariff offers from a range of different communications providers for both broadband and mobile. This was to explore participants' reactions to existing social tariff options in the moment.

The 46 depth interviews covered a range of different experience types. The number of interviews achieved for each is shown in brackets. Participants who:

- A. had taken out a social tariff and found the process straight-forward (16);
- B. had taken out a social tariff and found the process difficult (6);
- C. had tried to take out a social tariff but dropped out before completion (8);
- D. were aware of social tariffs but had not attempted to take one out (16).

As well as being in receipt of at least one benefit, all participants also agreed strongly with at least two attitudinal statements linked to their financial situation. This included issues such as struggling to make ends meet, pay bills or understand financial information.

All participants were recruited to have either mobile or broadband services, however most had both services. Of those who had taken out a social tariff, it tended to be for broadband only. Very few were aware of mobile social tariffs, and only a small minority had taken one out.

All participants were the primary decision-maker in relation to the telecoms services they used, including being the principal person in their household who would contact their communications provider (CP) when necessary.

Other sample criteria

As well as those outlined above, we also set quotas to include people with additional access requirements, such as disabled people, people with a mental health problem or long term health condition, people with low literacy and or digital literacy and people with English as a second language and some participants fell into more than one of these criteria. Additional quotas were imposed to ensure a good mix of participants by gender, age (18-75+), socio-economic group, and communications provider.

Interviews were conducted across all nations in the UK (England, Northern Ireland, Scotland and Wales). The research also covered urban, suburban and rural locations.