

Fairness for Customers commitments

Progress review



Overview

This report reviews progress made by the communications providers that signed up to Ofcom's Fairness for Customers Commitments ('the commitments') in 2019.¹ All of the biggest phone and broadband providers in the UK signed up to these voluntary commitments, which are designed to help ensure companies put fairness at the heart of their businesses.

To assess progress, we have reviewed evidence submitted to us by all signatories and relevant Ofcom data relating to each commitment. In this report, we do not assess how providers have complied with their regulatory obligations.

What we have found

- **Since 2019, signatories have taken steps to promote fairness for their customers, but progress has been mixed and we continue to challenge providers to do more.** We observe some initial progress towards making fairness central to how companies run their businesses, and in addressing some of our concerns on pricing and the treatment of vulnerable customers.
- **However, our assessment shows that there is room for improvement in every area.** We are particularly concerned about customer service levels. Call centre wait times have risen in the past year, highlighting issues around the ease with which customers can change or exit contracts and report faults. Customer satisfaction with complaint handling has remained just above 50% since before the commitments were launched. Whilst we recognise the particular challenges in call centre capacity over the past twelve months caused by Covid-19, it is vital that providers now focus on improving customer service.
- **Our assessment has largely taken place against the backdrop of Covid-19 and the actions taken by providers to support their customers in response to the pandemic.** Signatories have, for example, offered extra help for people in debt, removed broadband data caps, and provided free additional mobile data for schoolchildren. We recognise and welcome the efforts that providers have made to support customers during this challenging period.
- **Signatories must now do more to put fairness at the heart of their business as we emerge from the pandemic.** We will continue to build on the fairness commitments as an important lens through which to consider both our interventions as well as actions taken by signatories. We encourage other providers to join and will ask signatories to report on progress again next year.

¹ The signatories are BT; EE; Giffgaff; O2; Plusnet; Post Office; Sky; TalkTalk; Tesco Mobile; Three; Virgin Media and Vodafone. Further information is provided on Ofcom's [Fairness for Customers](#) website. The Post Office's broadband and home phone business was recently sold to Shell Energy and, while we hope Shell Energy will sign up to the commitments, we have not referenced Post Office in this report.

The commitments are designed to build on existing requirements by encouraging companies to put fairness at the heart of their businesses

Promoting fairness for customers is a priority for Ofcom. It is vital that people and businesses are treated fairly by their providers and can trust that markets operate with integrity. We already have rules in place to ensure the fair treatment of customers, in addition to other formal protections offered by consumer law. Providers must comply with these rules at all times, or they can face enforcement action. We have also put in place several additional voluntary schemes to support the fair treatment of customers, such as the [automatic compensation](#) scheme for landline and broadband customers, and the [codes of practice](#) for broadband speeds.

The commitments were launched in June 2019 to complement our rules and voluntary schemes, to encourage signatories to embed fairness more deeply across their businesses – from the boardroom to customer service teams - and to go beyond compliance with regulatory minimums. When the commitments were launched, we emphasised the importance of signatories investing more time and money in customer service, which runs throughout the commitments and is necessary to increase trust in the sector. The commitments are set out below.

The commitments in full:

- 1. Customers get a fair deal, which is right for their needs.** Providers offer customers packages that fit their needs and have a fair approach to pricing. Prices are clear and easy to understand.
- 2. Customers get the support they need when their circumstances make them vulnerable.** Providers understand and identify the characteristics, circumstances and needs of vulnerable customers - such as vulnerability due to a disability, age, mental illness or having recently been bereaved - and act to give them fair treatment and equal access to services.
- 3. Customers are supported to make well-informed decisions with clear information about their options before, during, and at the end of their contract.** Providers design and send communications in a way that reflects an understanding of how customers generally react to information so that they can understand and engage with the market.
- 4. Customers' services work as promised, reliably over time. If things go wrong providers give a prompt response to fix problems and take appropriate action to help their customers, which may include providing compensation where relevant.** If providers can't fix problems with core services they have promised to deliver within a reasonable period, customers can walk away from their contract with no penalty.
- 5. Customers can sign up to, change and leave their services quickly and smoothly.** Providers ensure that customers who are leaving do not face additional barriers or hassle compared to those who are signing up to a new service.
- 6. Customers can be confident that fair treatment is a central part of their provider's culture.** Companies can demonstrate that they have the right procedures in place to ensure customers are treated well. They keep these effective and up to date.

Progress has been stronger in some areas than others

The table below summarises progress against each commitment, with examples of areas where we have seen positive steps and areas where we want to see further progress. We have provided illustrative scores to indicate progress *so far*, using a five point scale, where fewer stars indicate limited progress and more stars indicate more significant progress. We assign more weight to action that has been taken in areas that will provide more benefit to customers or has been undertaken by more signatories. These ratings do not reflect how providers have complied with their regulatory obligations.

Commitment and indicative progress score on activity beyond formal obligations	Positive actions we have seen	Areas for development
<p>Commitment 1: Customers get a fair deal, which is right for their needs.</p> 	<p>Most major mobile signatories (EE, O2, Tesco Mobile, Virgin Mobile, Vodafone) have offered out-of-contract customers a range of voluntary price reductions for those on bundled mobile handset contracts when they come to the end of their contract.</p> <p>All major broadband signatories have helped vulnerable out-of-contract customers and most (BT, EE, Sky, TalkTalk) have taken steps to reduce the average price difference paid by out-of-contract customers, sometimes referred to as a 'loyalty penalty'.</p> <p>All major broadband signatories have also permanently removed monthly data caps, which is helping around half a million households.</p>	<p>Targeted social tariffs can help customers who are struggling most to pay for communications services. Where providers do not already offer such products, we strongly encourage them to consider introducing them. BT and Virgin Media are the only signatories currently offering such products in broadband, while Vodafone offers a discounted mobile tariff on its Voxi brand.</p> <p>We want signatories to help their customers get better deals, especially those who are out-of-contract. Three is the only mobile signatory not to apply voluntary discounts to out-of-contract bundled mobile handset customers. In the broadband sector Virgin Media has the largest difference between prices for out-of-contract customers and new customers as well as the highest proportion of customers who are out-of-contract.²</p>

² Based on Ofcom analysis of provider data from September 2019. See Ofcom, July 2020, [Broadband Pricing Review](#).

Commitment and indicative progress score on activity beyond formal obligations	Positive actions we have seen	Areas for development
<p>Commitment 2: Customers get the support they need when their circumstances make them vulnerable</p> 	<p>Most signatories are making it easier for customers to self-report their circumstances or needs, including through their webchats, apps or websites. BT, O2, Plusnet and TalkTalk allow customers to report their needs through online accounts or webforms.</p> <p>Most signatories now have a named vulnerable customer champion in their senior teams and/or a working group focused on supporting vulnerable customers (BT and Tesco Mobile have both), and some have accessibility roles embedded in product teams (BT and Sky).</p>	<p>We want all signatories to measure the impact of the changes they are making to support vulnerable customers.</p> <p>We encourage all signatories to continue to improve how they identify vulnerable customers and record their needs so they can be appropriately supported. This includes active promotion to all customers of the services available.</p>
<p>Commitment 3: Customers are supported to make well-informed decisions with clear information about their options before, during, and at the end of their contract.</p> 	<p>Before customers sign up on the phone, BT, EE and Three share a link with written contract information to give the option of reviewing in writing during the call.</p> <p>Some signatories offer extended cooling-off periods beyond the statutory minimum, such as Sky (31 days) on all of its subscriptions. Others, such as BT, Giffgaff, O2, Tesco Mobile and Three, have offered extended periods on some products in the past year.</p>	<p>Signatories shared very few examples of actions they take to help customers make well-informed choices that go beyond formal obligations, especially after customers go out-of-contract. We encourage signatories to consider how they can best model fairness in this area by doing more to ensure that, where appropriate, customers are made aware of the availability of cheaper tariffs.</p>

Commitment and indicative progress score on activity beyond formal obligations	Positive actions we have seen	Areas for development
<p>Commitment 4: Customers' services work as promised, reliably over time. If things go wrong providers give a prompt response to fix problems and take appropriate action to help their customers, which may include providing compensation where relevant.</p> 	<p>Reliable communications services are more important than they've ever been. Connectivity has generally held up well under lockdowns despite significant changes in service use (although customers have persistently faced issues reporting faults).</p> <p>We welcome the action from signatories that are signed up and implementing the automatic compensation and Broadband Speeds Codes of Practice schemes in full. We also welcome new joiners to the automatic compensation scheme, including EE.³</p>	<p>Just over half of customers who have made complaints have been satisfied with how they were handled across all services. This has been relatively consistent since before the commitments were launched and we think signatories should take steps to improve complaints handling as a priority.</p> <p>We encourage Plusnet and Vodafone to join the voluntary automatic compensation scheme as soon as possible.⁴ For the voluntary Broadband Speeds Codes of Practice, we encourage Sky and Vodafone to re-join⁵ and Plusnet to implement live sync speed estimate improvements.</p>

³ EE joined the automatic compensation scheme on 4 May 2021.

⁴ We have been told that Vodafone intends to join in June, and that Plusnet intends to join this autumn.

⁵ Sky has told us that it still allows customers to leave their contracts without paying early termination charges, where they ordinarily apply, if speeds guaranteed at point of sale cannot be achieved within 30 days.

Commitment and indicative progress score on activity beyond formal obligations	Positive actions we have seen	Areas for development
<p>Commitment 5: Customers can sign up to, change and leave their services quickly and smoothly.</p> 	<p>Many signatories allow their customers to upgrade during their contract for some products, without signing up to a new minimum commitment period, and some also offer flexible products so customers can change their service (including upgrading or downgrading), such as for some mobile and Pay TV contracts.</p> <p>For broadband customers moving home, BT, EE, Plusnet and Vodafone allow customers to move and continue their existing contract without paying a fee. All broadband signatories allow customers to terminate a contract without charge if they cannot receive a similar service at their new address, with the exception of Virgin Media.</p>	<p>Issues with call centre capacity in the past year have highlighted the importance of ensuring customers do not face additional barriers when leaving compared to signing up. We think that signatories should offer the choice of at least as many ways to leave as to sign up, and ensure these options meet customers' expectations.</p> <p>We encourage mobile providers that do not currently provide automatic refunds on any outstanding balances to all departing customers to do so.</p>

Commitment and indicative progress score on activity beyond formal obligations	Positive actions we have seen	Areas for development
<p>Commitment 6: Customers can be confident that fair treatment is a central part of their provider's culture.</p> 	<p>Most signatories have senior staff champions for fairness and/or internal working groups focused on fairness. BT, for example, has set up a forum involving customers, directors and charities, as well as recruiting a Non-Executive Director to challenge its Board on fairness. Some signatories have operational roles to embed fairness within their business (such as BT, Sky and Virgin Media).</p> <p>Some signatories are surveying staff on perceptions of how fairly they treat their customers (BT Enterprise, Plusnet and Virgin Media) and others have conducted research with customers on their perception of various aspects of fairness (O2 and Sky). These steps can help to measure progress on cultural change.</p>	<p>We encourage providers to make further progress here and to focus on converting this into measurable outcomes. Measuring outcomes is essential to demonstrate that the cultural changes that signatories are making are delivering the intended impacts.</p>

We have used the commitments to seek positive improvements for customers, and will continue to do so in the year ahead

Promoting fairness for customers is a strategic priority for Ofcom, as set out in our [Plan of Work 2021/22](#) alongside our priority to support investment in strong, secure networks, to encourage faster broadband and better quality mobile networks. These priorities go hand-in-hand, since investment in competitive networks gives customers a choice on price, quality and customer service. Customers are also more likely to take up new services or technologies as they become available if they are confident that they will be treated fairly. Ultimately, we want the commitments to inspire signatories to improve the customer experience, provide excellent customer service, and stop unfair practices from arising in future.

We have identified areas where signatories have taken steps to support customers. In some cases, progress has been made directly as a result of Ofcom raising issues with signatories and challenging them to do better. In other cases, signatories have taken proactive steps to treat customers fairly

following the launch of this initiative. As such, the initiative is already yielding improvements and we see potential for the commitments to help prompt and inspire further progress in future.

While progress has not been as swift as we would have liked, we recognise that lasting cultural change can take time to achieve and that the industry has been acting in unprecedented circumstances in the past 12 months. We will continue to engage with signatories in the year ahead and to challenge them to treat their customers fairly. We will also ask signatories to report on progress to us again next year.

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Context

Introduction

We launched the commitments in June 2019 against a backdrop of widespread interest in fairness for customers across a range of regulated sectors. In particular, the CMA had recently responded to the Citizens Advice super-complaint into the ‘loyalty penalty’ across five markets issuing a number of recommendations for regulators and government.⁶ The commitments were launched as an overarching initiative to inspire companies to put fairness at the heart of their businesses. They complemented our work already underway to address specific issues.

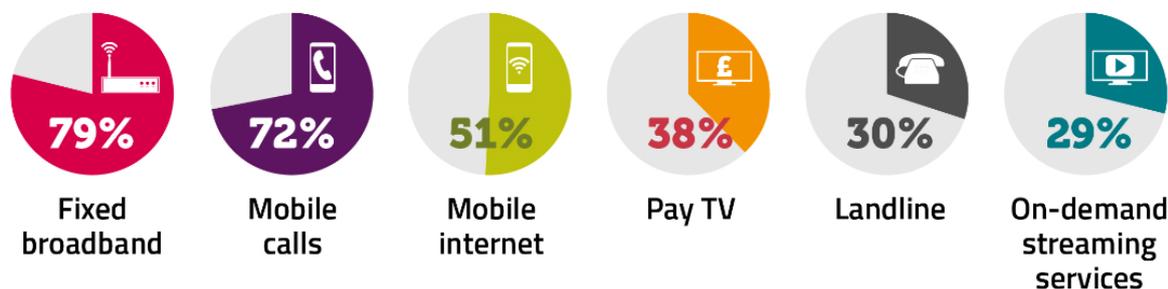
Less than a year later, in March 2020, the Covid-19 pandemic created unprecedented challenges for customers and providers, and highlighted just how important communications companies are for the UK. Customers have experienced a huge amount of change, with many households relying on communications services for working or studying from home, accessing public services remotely, and keeping in touch with friends and family. In this context, the importance of fair treatment for customers and access to communications services has become even clearer.

This chapter provides a summary of actions providers have taken to support their customers in response to the pandemic, in recognition of the impact it has had on our review of progress.

Many households experienced a reduction in their income

Ofcom’s affordability research⁷ conducted since the pandemic shows that communications services – and particularly fixed broadband and mobile calls – have been ‘very important’ for households, as illustrated in Figure 1 below. Our Comparing Customer Service report also includes data showing that around half of broadband customers and four in ten mobile customers said these services were more important to their household because of the pandemic.⁸

Figure 1: Proportion of households describing their communications services as ‘very important’



Source: Ofcom Covid-19 Affordability Tracker. Base: UK decision makers aged 18+. Rolled data June-September. Fixed broadband (3,811), Mobile phone (4,271), Pay TV (2,750), Landline (3,483), On-demand streaming services (2,938).

⁶ See CMA, December 2018, [Tackling the Loyalty Penalty](#).

⁷ Source: [Covid-19 Affordability Tracker](#).

⁸ See [Comparing Customer Service 2021](#).

At the same time, during the past year many households have experienced a loss of income and Ofcom's [affordability research](#) published in December 2020 found that 19% of households had experienced an affordability issue with their communications services in the last month.⁹ Some people are significantly more likely to have had an affordability issue, such as those who are unemployed and looking for work (38%) and people with an impacting or limiting condition¹⁰ (29%).

Signatories supported customers with financial difficulties, and we observed a decline in service disconnection in lockdown. Approaches taken were not completely consistent across providers.

In March 2020, following talks with the UK Government and Ofcom, the major mobile and broadband providers (including 8 of the signatories to the commitments¹¹) agreed to support and protect vulnerable customers and those who may become vulnerable due to [circumstances arising from Covid-19](#). This was in order to help customers remain connected during the pandemic, and included working with customers who find it difficult to pay their bill and offering new mobile and landline packages to ensure people are connected. Ofcom's subsequent [affordability analysis](#) showed that the proportion of customers disconnected for not paying their bills decreased substantially between March and May before lockdown restrictions were initially eased.¹²

In recognition of the ongoing financial uncertainty for many people, we wrote to providers in [June](#) and [November](#) 2020, asking them to continue offering support to customers who had difficulty paying their bill and, in some areas, to go beyond the expectations set out in our vulnerability guide about supporting customers facing problem debt. In response, some providers increased the support they provide for example by: signposting free debt advice organisations and strengthening their relationships with them; lengthening payment deferral periods and offering more flexible payment plans.¹³ Our forthcoming affordability publication¹³ will cover this in more detail.

Signatories also supported some of their customers with additional measures to help them continue to access their communications services

Providers also made other commitments in March 2020 to remove data caps on fixed broadband services, prioritise vulnerable customers' repairs and to offer an alternative method of communication where possible, and provide additional mobile and landline benefits. When the pandemic began, around half a million broadband customers were on a legacy broadband product which placed monthly data caps on their service.¹⁴ Signatories that still had customers on these products have permanently removed these caps, as noted under commitment 1, and we welcome this. Providers also committed to prioritise vulnerable customers' repairs and made available alternative methods of communication, such as a mobile phone for landline only customers, for cases where lockdown restrictions meant that faults could not be fixed.

⁹ The 'last month' refers to the month prior to interview. Analysis based on rolled data, June – October 2020.

¹⁰ An impacting or limiting condition is self-reported and is any condition that: "impacts or limits your daily activities or the work you can do. These can include, but are not restricted to; hearing, eyesight, mobility, dexterity, breathing, mental abilities, social/behavioural issues and mental health".

¹¹ BT, EE, O2, Sky, TalkTalk, Three, Virgin Media and Vodafone.

¹² Between March and May 2020 these disconnections fell by more than three-quarters to 0.02% of fixed customers and more than a third to 0.14% of mobile customers. Disconnections then increased to around 0.3% of customers for each.

¹³ Other examples also include protecting customers' existing service levels where they are engaging to resolve payment issues; considering disconnecting customers only as a last resort option, and only after a substantially longer period than what is 'business as usual'.

¹⁴ This is based on the number of households with capped broadband in Ofcom data from September 2019.

Providers also put forward a range of different offers for mobile and landline customers, some of which were given automatically while others required application. These offers included additional minutes for landline and mobile customers, free data bolt-ons, and targeted support for customers identified as vulnerable or elderly. Some mobile providers removed data charges so customers could gain free access to websites for the NHS and charities, such as the NSPCC and domestic violence support. Most mobile providers also offered NHS staff an increase in their mobile allowances, such as additional or unlimited data. However, not all mobile providers offered pay-as-you-go customers the same level of offers as they offered pay monthly customers.

In January 2021, following further lockdown restrictions including the closure of schools to most students, providers including EE, O2, Sky Mobile, Tesco Mobile, Three, Virgin Media and Vodafone made voluntary offers to help schoolchildren access the internet to support their learning from home.¹⁵ These providers offered free data packages to schoolchildren who were lacking access to broadband or mobile data. Support ranged between 20GB a month to unlimited data but, as with the March 2020 commitments set out above, in some cases did not include pay-as-you-go customers. This represents a substantial intervention from mobile providers, and we particularly welcome the approach taken by EE, O2, Tesco Mobile, Three and Vodafone, who included unlimited data for both pay monthly and pay-as-you-go customers.¹⁶ We also note Vodafone launched a similar scheme to help schoolchildren in November 2020.

Mobile providers also took steps to zero rate specific educational websites, overcoming considerable technical challenges, to enable children to continue learning from home. Examples of websites that have been zero rated by some providers include BBC Bitesize and the Oak National Academy. Implementation varied in different regions of the UK, in part reflecting different school curriculums.

At the start of the pandemic, signatories' call centres were significantly impacted, with high waiting times. Most were able to reduce waits initially, but some have had ongoing problems

We closely monitored how providers were performing in the first months of the pandemic, and found that most initially struggled with their call centre capacity as they dealt with staff absences and a shift to homeworking. This particularly affected offshore call centres in some locations, as customer call agents were impacted by different lockdown restrictions and different levels of preparedness for homeworking. The disruption meant that average call centre wait times increased and some customers struggled to contact their provider, for example to cancel or re-contract over the phone.

Many signatories described steps they have taken to address call centre capacity and waiting times, such as hiring new call centre staff and re-assigning shop and corporate staff to take calls or manage web chat services. Some signatories also told us how they encouraged customers to use alternative channels – or discouraged customers from contacting them by phone¹⁷ – and prioritised calls from vulnerable customers. Our monitoring indicated that most providers improved call wait times initially after peaks from March 2020, but we have concerns that many customers have had further

¹⁵ The support offered varied for some providers in different nations of the UK.

¹⁶ See [guide to collecting mobile information](#) for more information.

¹⁷ As set out in our Comparing Customer Service report, for example, TalkTalk had to temporarily reduce capacity in its overseas call centres in April/May 2020 whilst improving customer access to webchat and other online self-service tools. Although TalkTalk sought to restore call centre capacity, it restricted calls to the call centres, other than for vulnerable customers, throughout 2020.

difficulties accessing call centres since, which has aligned with an increased number of complaints to ADR schemes.

Our Comparing Customer Service report shows that in 2020 mobile customers who called their provider about their service spent 2 minutes 7 seconds on average in a queue (up by 49 seconds on 2019), while broadband and landline customers spent 4 minutes 9 seconds on average in a queue (up 1 minute 59 seconds).¹⁸ We found that all broadband and landline providers' average call waiting times increased in 2020 and the same was the case for all mobile signatories except for Three.¹⁹ Virgin Media customers faced the longest waits on average (7 minutes 40 seconds for broadband and landline and 6 minutes 44 seconds for mobile). In March, Ofcom wrote to Virgin Media to summarise specific concerns relating to customer service and customer contact channels. We expect all providers to focus on restoring levels of customer services to satisfactory levels, including dealing with complaints and providing automatic compensation, and other forms of redress where appropriate.

¹⁸ See [Comparing Customer Service 2021](#).

¹⁹ As set out in our Comparing Customer Service report, Three told us that the pandemic and lockdown restrictions impacted its call centre capacity and, in response, it increased its webchat capacity.

Commitment 1

Customers get a fair deal, which is right for their needs. Providers offer customers packages that fit their needs and have a fair approach to pricing. Prices are clear and easy to understand.

Fair pricing is a priority for Ofcom. Customers can choose from a wide range of offers to suit their needs, but we recognise that choice can sometimes be confusing, so it is important that providers ensure that prices are fair, clear and easy to understand.

Since the commitments were launched, we have secured voluntary changes from most signatories that will help customers get better deals, particularly relating to bundled mobile handset customers, and broadband customers who go out-of-contract. We also welcome other measures that automatically help customers, such as access to rollover of mobile data and free increases in broadband speeds offered to some customers. Some providers – including BT and Virgin Media - have also offered new or improved social tariffs to support customers with affordability, and we strongly encourage others to consider doing this.

However, industry is still falling short in some areas on pricing and there remains more that signatories can do to demonstrate a commitment to fairness. For example, Three has decided not to apply voluntary discounts to out-of-contract bundled mobile handset contracts and in the broadband sector Virgin Media has the highest out-of-contract versus new customer price differential, as well as the highest proportion of customers who are out-of-contract.²⁰ There remains more that many signatories offering broadband services can do to further improve the design of support for vulnerable out-of-contract customers. We will publish a report on consumer outcomes in fixed broadband and mobile following the introduction of voluntary commitments from major providers, as well as our new rules on end-of-contract notifications, later in 2021.



Many customers are confident they have the best deal for their needs, but a significant minority are not

Our data shows that customers are generally getting more for less over time. In the fixed broadband sector, for example, over a five year period average spend has fallen by 3% while average monthly data use has increased by over 400%.²¹ In the mobile sector, the average cost of service based on average use fell by 11% in real terms between 2018 and 2019 despite a 22% increase in data use.²²

As in previous years, at the end of 2020 the majority of customers in all communications sectors are satisfied with value for money of their service.²³ Satisfaction was highest in this regard for

²⁰ Based on Ofcom analysis of provider data from September 2019. See Ofcom, July 2020, [Broadband Pricing Review](#).

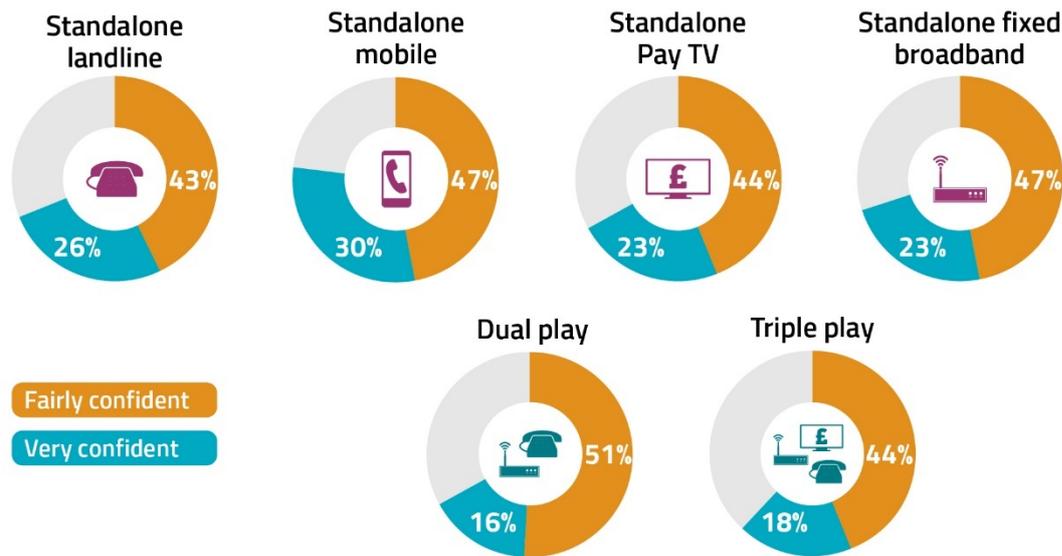
²¹ See Ofcom Connected Nations reports ([2019](#) and [2015](#)).

²² See Ofcom 2020, [Pricing Trends report](#), page 30.

²³ Source: [Ofcom Customer Satisfaction Tracker Nov - Dec 2020](#).

standalone mobile²⁴ (83%), followed by customers with a bundle of services (67%). About 6 in 10 customers were satisfied with value for money in the case of standalone Pay TV (61%), standalone landline (58%) and standalone broadband (57%).²⁵ Ofcom research²⁶ shows that for all communications services, a majority of customers are confident that they have the best deal for their needs. As shown in Figure 2 below, confidence in having the best deal ranged from 77% among standalone mobile contract customers to 62% among triple play customers. A significant minority reported not being confident across these services.

Figure 2: Customers' confidence that they have the best deal for their needs



Source: Ofcom Core Switching Tracker 2020 Base: All adults aged 16+ who are the decision-maker for standalone landline (194), standalone mobile (1,815), standalone Pay TV (442), standalone fixed broadband (487), dual play (i.e. two services provided by a single communications provider) (885) and triple play (i.e. three services provided by a single communications provider) (563)

Since Ofcom began its work on out-of-contract pricing, most broadband and mobile signatories have made pricing changes to help customers

As part of our fairness for customers programme, Ofcom conducted work in response to specific concerns over pricing practices in the broadband and mobile sectors. We worked with providers, and in the spirit of commitment 1, we secured a set of voluntary changes which can help address our concerns in this area.

In broadband, since we began our [review of pricing](#) in 2018, the major broadband providers have made a range of voluntary changes to their pricing structures that will help reduce bills for customers who have struggled to engage. In our [2020 review of broadband pricing practices](#), we welcomed pricing revisions which could ultimately benefit out-of-contract customers by over £270m per year. For example, BT, EE, Plusnet, Sky, TalkTalk and Virgin Media all agreed to introduce protections for customers who they know are vulnerable, moving those who are paying higher out-

²⁴ Standalone refers to customers who do not purchase any other services from the same provider.

²⁵ Ofcom's switching tracker research is conducted among a nationally representative sample of the UK population and therefore includes customers of a broad range of communications providers, and is not restricted to the customers of the signatories to the Fairness for Customers Commitments.

²⁶ Source: [Ofcom Core Switching Tracker 2020](#).

of-contract prices onto better prices through annual reviews. Other changes include BT, Sky and TalkTalk making commercial decisions to reduce the average differential between new and out-of-contract prices. In addition, BT, EE, Plusnet, Sky and TalkTalk all offer existing customers access to their new customer prices when sending end-of-contract notifications and annual best tariff notifications. We are disappointed that Virgin Media has not made similar changes here.

In the mobile sector, customers who choose a pay-monthly contract have different options for how they buy their mobile handset with their airtime, including bundled contracts,²⁷ spilt contracts²⁸ and SIM-only options. We identified concerns that some customers on bundled contracts were paying more than they needed to if they did not act at the end of their minimum contract period. In July 2019, we [welcomed commitments from EE, O2, Tesco Mobile, Virgin Mobile, and Vodafone](#) to apply discounts to the monthly price paid by out-of-contract bundled mobile handset customers (the exact approach varied by provider). In May 2020, O2 further extended its discount to customers that originally purchased their contract through Carphone Warehouse. We are disappointed that Three remains the only major provider that has refused to apply any voluntary discount to its out-of-contract bundled mobile handset customers, meaning these customers may continue to overpay if they stay on their current deal once their contract period expires.

We intend to report in more detail on the impact of these broadband and mobile pricing interventions later in the year and we will continue to challenge providers to do more where we have continuing concerns.

More recently, we are aware that many signatories have announced price changes affecting customers, including those who are within their minimum commitment period. Where such changes were not included in the initial contract, providers are currently required to give customers at least one month's notice of the price rise and to allow customers to exit the contract without penalty if they wish to.²⁹

We expect all signatories to carefully consider the fairness of any pricing changes they plan to make before introducing them. We welcome, for example, that Tesco Mobile has a tariff promise to freeze prices for customers during their initial contract period.

Some signatories are helping customers get a fair deal in other ways, such as by offering social tariffs, removing broadband data caps, or allowing mobile customers to rollover monthly data

Targeted social tariffs can help customers who are financially vulnerable, or have other special social needs, access essential services which they may not otherwise have been able to afford. BT's broadband social tariff has benefitted from the removal of monthly data caps and BT has committed to further improvements in 2021. Virgin Media introduced a new targeted broadband tariff in 2020 priced at £15 for any customers who are in receipt of Universal Credit. Two other fixed providers, who are not signatories to the commitments, also offer social tariffs. In the mobile sector, Vodafone has launched a discounted mobile tariff on its Voxi brand with unlimited data, calls and texts for £10

²⁷ A single contract, where the customer receives a handset and airtime and pays one monthly price.

²⁸ Where the customer signs up to two contracts at the same time, one for the airtime and one for the mobile handset, and where the monthly cost to the customer is separated into a price for each of the handset and airtime.

²⁹ From June 2022, communications customers will benefit from new rules which will require providers to give customers written contract information, this information will also include an example of how any inflation-based increase will affect the price of the contract. See [European Electronic Communications Code statement](#) and our [guidance](#) for more information.

to people on specified benefits. We [strongly encourage other providers to offer targeted affordable tariffs](#) and will consider progress in our next affordability publication this summer.

In the mobile sector, some signatories offer a data rollover feature so that customers can carry forward unused mobile data. For example, Sky told us it allows customers to roll over unused data for 3 years and Virgin Mobile told us customers can roll data over into the next month. We welcome measures such as these, which recognise that people's use of data can fluctuate and gives customers more time to use the data they've paid for. Providers also told us about other features of their pricing that they considered promote fairness. For example, Three told us that it offers free roaming in over 70 countries and that it is offering 5G upgrades at no extra cost. EE told us about the 'service packs' it offers when customers take handsets, including hardware guarantees for the lifetime of contracts. And some providers do not lock handsets ahead of [new rules](#) coming into force from December 2021 to stop the practice of handset locking.

Broadband providers have taken other steps to help customers. As set out in the context chapter, all major fixed broadband providers have now permanently removed any existing broadband data caps, which we estimate will help around half a million households who were previously on capped products.³⁰ Some signatories have given customers free broadband speed upgrades. In 2019, BT announced free upgrades for around 700,000 copper customers, moving them onto faster fibre services. In 2020 Virgin Media announced it was giving free upgrades to over a million customers to move them onto 108Mbit/s services. We welcome these measures.

³⁰ This is based on the number of households with capped broadband in Ofcom data from September 2019.

Commitment 2

Customers get the support they need when their circumstances make them vulnerable. Providers understand and identify the characteristics, circumstances, and needs of vulnerable customers - such as vulnerability due to a disability, age, mental illness or having recently been bereaved - and act to give them fair treatment and equal access to services too.



This chapter focuses on the progress signatories are making towards treating vulnerable customers³¹ fairly, drawing on some key examples set out in our [treating vulnerable customers fairly](#) guide, which has been published since we launched the commitments.

Signatories have taken a range of measures to support vulnerable customers. Some are practical and directly customer-facing, such as improving promotion of, and signposting to, support offered by providers or third-party organisations. Others are focused specifically on improving internal processes to embed fairness, such as the creation of internal working groups or new senior posts to champion vulnerable customers' interests.

Whilst these are steps in the right direction, all signatories need to monitor the effectiveness of these measures to improve outcomes for vulnerable customers. Some are undertaking satisfaction surveys with their vulnerable customers, and we encourage signatories to consider other ways of measuring the quality of support they provide to vulnerable customers. We also particularly encourage signatories to continue to improve how they identify vulnerable customers and record their needs (with consent), and to communicate in a proactive way the support that is available. Ofcom will be publishing qualitative research on vulnerable customers' perspectives of their interactions with providers in the coming months.

Our research and data show that vulnerable customers have fewer positive experiences in some areas

Ofcom's research shows that in some areas, customers in vulnerable circumstances may be more likely to experience poor outcomes. For example, customers with at least one impacting or limiting condition³² were more likely to have a reason to complain about broadband, mobile and Pay TV services.³³ This difference was also evident in the broadband sector in 2019.³⁴ When looking at

³¹ We refer here to people whose permanent and transient circumstances have led them to becoming vulnerable as 'vulnerable customers'. We recognise that there is a range of different terminology and some people might not like to be labelled as a vulnerable customer. However, the term is well-recognised among providers and allows us to discuss the topic openly and clearly to seek improvements.

³² An impacting or limiting condition is self-reported and is any condition that: "impacts or limits your daily activities or the work you can do. These can include, but are not restricted to; hearing, eyesight, mobility, dexterity, breathing, mental abilities, social/behavioural issues and mental health".

³³ Source: [Reasons to Complain 2020 research](#) - Broadband (29% vs 24% for customers without an impacting or limiting condition), mobile (12% vs 9%) and Pay TV (10% vs 8%) services.

³⁴ Source: [Reasons to Complain 2019 research](#). While data is not directly comparable between surveys, both surveys reported higher propensity to complain among these customers.

satisfaction with specific aspects of complaints handling, landline, broadband, Pay TV and mobile complainants with at least one limiting or impacting condition reported slightly lower satisfaction than those without such a condition on most aspects that we asked about, including 'ease of finding provider contact details' and 'logging of query details to avoid having to repeat yourself'.³⁵

Vulnerable customers also experience poorer outcomes in other areas and may need additional support from providers. For example, switchers with an impacting or limiting condition were more likely, than those without, to have difficulty both in understanding the relevant steps needed to switch (54% compared to 29% without) and in comparing different providers' offers (19% compared to 14% without).³⁶ And in terms of affordability, we found from separate research that people with an impacting or limiting condition are more likely to have had a recent affordability problem (29% compared to 19% without).³⁷

Signatories provide information about additional support that is available, but there is more they can do to actively promote this

Signatories can help raise awareness by actively promoting the support they offer for vulnerable customers. Sky told us that it has amended key correspondence to all customers, such as welcome letters, price increase notifications, end-of-contract and annual best tariff notifications, to include reminders about the services offered for customers with accessibility and vulnerability needs. We encourage other providers to better promote the support they offer, and to do so proactively. We note that Tesco Mobile also told us about its plans to start writing to vulnerable customers (once a query has been resolved), with further information about the additional help available. We see better promotion of support as an important area for signatories to make further improvements.

Most signatories told us that they signpost customers to charities such as Mind, the Samaritans and StepChange for additional support, through their websites, in correspondence and in call centres. In some instances, though, these charities are not *actively* promoted by providers, or it can be difficult for customers to find this information on providers' websites. As set out in our treating vulnerable customers fairly guide, we encourage signatories to build links with third-party organisations, where appropriate, to enable them to smoothly refer customers to them for extra support. For example, providers may be able to offer better support to customers if they have established relationships with charities, such as to support direct telephone or digital routing, where these organisations are better equipped to provide specialist help and support. Links to third-party organisations that act on behalf of vulnerable customers can also help providers better manage their contact with those organisations.

Signatories are taking steps to help ensure vulnerable customers are treated fairly, including providing specialist support, but they must do more to monitor the outcomes of this work

Providers are likely to be most successful in treating vulnerable customers fairly when adopting a range of different measures together. Signatories have told us about internal changes that can help

³⁵ For all four sectors complainants with at least one limiting or impacting condition reported lower satisfaction than those without with 'ease of finding provider contact details' (59% vs. 70% for mobile, 57% vs 65% for broadband, 56% vs 68% for pay TV and 53 % vs 66% for landline), and 'logging of query details to avoid having to repeat yourself' (56% vs 64% for mobile, 50% vs 59% for broadband, 51% vs 63% for pay TV and 53% vs 63% for landline).

³⁶ Source: [Ofcom Switching Experience Tracker 2020](#) (N.B. as the question regarding impairments/limiting conditions was asked slightly differently in 2018, we are not able to make direct comparisons with the 2018 data).

³⁷ See Figure 8, Ofcom, December 2020, [Affordability of Communications Services: A summary of initial findings](#).

to embed an approach committed to treating vulnerable customers fairly. Some examples of good practice providers have described to us are:

- Most signatories have appointed a senior vulnerability champion or executive sponsor³⁸ with this role performed by Executive Committee and Board members, Chief Operating Officers and other senior members of staff.
- Some signatories have established internal working groups³⁹ to bring colleagues together from different parts of their businesses. These can be used to discuss and agree changes to help ensure vulnerable customers are treated fairly.
- Some signatories told us that they undertake satisfaction surveys, collect feedback or gather other satisfaction data with their vulnerable customers, or those who engage with dedicated vulnerability teams.⁴⁰
- Some signatories have extended training beyond customer service agents or customer-facing staff, so that there is a wider understanding of the needs of vulnerable customers within their businesses.⁴¹

In terms of customer-facing support, we recognise that there are different ways to support vulnerable customers. While all providers offer support through their main customer service teams, most signatories also have specialist teams in place which are dedicated to supporting vulnerable customers. Regardless of approach, all signatories run vulnerability training for their customer-facing staff or their customer service agents, and training is often designed or delivered in collaboration with charity partners. Some signatories have made provisions to offer further additional support targeted at customers in *specific situations* - such as for those having mental health problems or experiencing a bereavement - and they are doing this both through additional training for customer-facing staff⁴² or by setting up additional dedicated support teams for these issues.⁴³

While we consider these examples of changes to internal and external-facing processes to be a positive initial step, to understand their impact it is essential that signatories monitor the impact of the changes and can provide more detail on outcomes achieved. We see this as an important area for signatories to make further improvements.

Signatories are offering an increasing range of channels that vulnerable customers can use to make contact

Previous Ofcom analysis has indicated that the proportion of customers who were identified by providers as vulnerable was low when compared to Ofcom market research.⁴⁴ We recognise that identifying vulnerable people can be challenging, but, given its importance to providing the tailored

³⁸ BT, EE, Giffgaff, Plusnet, Sky, TalkTalk, Tesco Mobile, Virgin Media and Vodafone.

³⁹ BT, EE, Plusnet, Tesco Mobile and Vodafone.

⁴⁰ BT, Sky and Tesco Mobile.

⁴¹ O2 has offered training on the needs of vulnerable customers to product designers to help them deliver more inclusive design. Sky offers mandatory vulnerability training to all staff across its business.

⁴² For example, Giffgaff told us it is providing mental health first aid training to its community teams.

⁴³ Many signatories have a dedicated vulnerability team and/or a specialist team for bereavement. Other examples of specialist teams include a dementia support team at BT; payment management teams at O2 and Virgin Media, and a team to support customers in crisis situations at Vodafone.

⁴⁴ See Annex A2, paragraphs A2.37-2.46 of Ofcom's [Helping consumers get better deals: Review of pricing practices in fixed broadband](#) for more detail on how this was calculated. Ofcom consumer research was conducted 26th February to 10th March 2020. For example, around one third (34%) of broadband account holders were one or more of: aged 65+, have an impacting or limited condition (including mental health problems), or in socio-economic group E. This compared to an equivalent overall figure of 18% recorded by broadband providers (this includes some use of third-party data that is not directly used to provide additional support for customers).

additional support these customers might need, we want to see providers improve their capability to do this. This includes offering a range of ways for customers to contact them and to flag additional needs. Many signatories offer a broad range of ways for customers to disclose their vulnerable circumstances, such as by phone, email, webchat, video relay and instore, but some signatories do not offer as many as others. Examples of good practice include:

- BT, Plusnet, TalkTalk and O2 allow customers to report their needs through online accounts or via a webform. We encourage others to do this, and note that EE and Virgin Media have indicated plans to do this soon.
- Some are using different technologies to help increase identification of vulnerability. For example, O2 customers can use Instagram, Facebook, Twitter or TikTok. Tesco Mobile told us it is working to explore the use of technology enhancements to provide real-time indication to agents that a customer may benefit from additional support.

While we welcome the steps signatories are taking and note that some reported increases in recording, most signatories are starting from a low base. We consider it important that signatories continue to improve how they identify vulnerable customers and record their needs, to help improve outcomes for vulnerable customers and to ensure they are treated fairly.

Commitment 3

Customers are supported to make well-informed decisions with clear information about their options before, during, and at the end of their contract. Providers design and send communications in a way that reflects an understanding of how customers generally react to information so that they can understand and engage with the market.



It is important that customers are given clear information about their communications services so that they can engage with the market and take advantage of the deals available. There are a number of existing obligations on providers about what information they share, and how they share it, with customers before, during and at the end of a contract.⁴⁵ This commitment is broader, intended to encourage providers to make fairness central to the way they run their businesses, including how well their customers are supported and informed.

We have observed some examples of signatories going beyond their existing obligations. In particular, we have seen positive practice to support customers before and during their contracts, such as sharing written contract information during telesales calls before a customer signs up to a service. While this will be a requirement from June 2022, it is positive to see some signatories already doing this to some degree. We have also observed some providers offering extended cooling-off periods beyond the statutory minimum, and providing tools and notifications to manage usage. However, we have seen a lack of proactive steps from signatories to provide information to customers after they have gone out-of-contract. There is more that signatories can do to ensure customers are well informed and supported and this is an area we encourage them to focus on in future.

A significant minority of customers are not very certain of their contract status, so it is important providers make it easy for customers to understand this

Our research indicates that over half of landline (55%) and broadband (61%) customers are ‘very certain’ of their contract status.⁴⁶ However, many customers are not. The proportion of customers in this position has not changed significantly since 2019. It is therefore important that providers continue to take steps to ensure their customers are aware of their contract status, so they know when to engage with the market and look for a deal best suited to their needs. We will continue to monitor customers’ awareness of their contract status along with other measures of engagement.

⁴⁵ For example, there are requirements set out in General Conditions (such as GCs C1, C7 and C8) and the Consumer Contract (Information, Cancellation and Additional Charges) Regulations 2013 (“CCRs”), amongst others. Signatories of the Broadband Speeds Codes of Practice are also required to provide specified information throughout the sales process.

⁴⁶ [Source: Ofcom Core Switching Tracker 2020](#) 59% of pay-tv customers are certain of their contract status.

Providing customers with clear information before they sign up to a contract can help them to make an informed decision

There are various ways in which signatories can go beyond regulatory minimums to help ensure customers can make informed decisions before signing up to a contract. For example, some signatories that offer fixed broadband services (BT, EE, Plusnet, TalkTalk and Virgin Media) have signed up to Ofcom's Broadband Speeds Codes of Practice. Signatories of the Codes are required to provide address-level estimates, at the point of sale, of the normally available speeds that customers are likely to experience at peak times, and a minimum guaranteed speed. These estimates must be provided as early as possible during the sales journey and before the sale is agreed, so that customers can take account of it before deciding whether or not to sign up to a service.

Not all broadband signatories are currently signed up to this scheme. During the initial Covid-19 lockdown period, Sky suspended its participation in the residential Broadband Speeds Code of Practice as a temporary measure in response to the pandemic. Sky has told us that, despite this, it still allows customers to leave their contracts without paying early termination charges, where they ordinarily apply, if speeds guaranteed at point of sale cannot be achieved within 30 days. Vodafone is not signed up to the latest version of the residential Code, introduced in 2018 (it was signed up to previous iterations). We encourage Sky and Vodafone to re-join the residential Code as soon as possible and to implement its requirements in full.

The pandemic also meant that some Broadband Speeds Codes signatories needed more time to introduce live sync speed estimates (which give customers more accurate speeds estimates based on data about the capability of their individual line). In response, Ofcom extended its deadline for signatories to implement live sync speed estimates to December 2020. However, Plusnet missed this deadline (all other signatories met it) and has still not yet implemented live sync speed estimates. We urge Plusnet to make these changes as quickly as possible. We intend to report on signatories' compliance with the Codes of Practice later this year.

Signatories can also show a commitment to fairness by improving how they communicate information. We have observed some good practice in this area from some providers. For example, when signing up customers via their phone channels, BT and EE's customer service agents send customers a link with written contract details so that customers have the option to review the details of their proposed plan during the call (such as on a smartphone or other device). Similarly, Three's telesales agents offer customers the option to receive an email with details of their proposed contract, before they confirm if they want to go ahead with it.⁴⁷

Customers who purchase a service online or over the phone are protected by rules which allow them to cancel their contract for any reason without any penalties during an initial 14-day cooling-off period. Some providers told us they have extended these cooling-off periods. For example, Sky offers a 31-day cooling-off period for all of its subscriptions, which is longer than the statutory minimum. Other signatories offer extended cooling-off periods for some products.⁴⁸ We consider

⁴⁷ From June 2022, communications customers will also benefit from new rules which will require providers to give customers written contract information, and a summary of key contract terms before the customer is bound by any contract. See [European Electronic Communications Code statement](#) for more information.

⁴⁸ BT and Giffgaff told us they offer extended cooling-off periods on certain products, Tesco Mobile told us it offers extensions on a discretionary basis, and O2 and Three told us they extended their cooling-off periods during the first Covid-19 lockdown.

this an example of signatories showing a commitment to fairness by proactively going beyond existing requirements, and we encourage other signatories to do the same.

Signatories offer a range of services to help customers understand and manage their service usage during their contract

Tools that allow people to monitor their usage are particularly relevant for mobile and landline customers who purchase tariffs with a specified call or data allowance who may, for example, have a range of bolt-ons or additional charges depending on their service usage.

All mobile signatories told us they have online portals or apps that customers can use to check their usage information. We also welcome that signatories offer a range of channels to display usage information, such as through text message or their automated telephone system. In landline, signatories use similar channels to provide this information.

Most mobile signatories told us they notify their customers when they are reaching the limits of their data allowance,⁴⁹ and broadband customers are now less likely to experience bill shock or loss of service following the removal of data caps. From December 2021, all telecoms providers will be required to notify their customers when a service included in their tariff plan is fully used up.⁵⁰

There are also obligations on mobile providers to allow their customers to place limits on their bills and receive notifications when they are nearing, or have reached, the limit they have set.⁵¹ While this requirement does not apply to landline customers, we have seen some signatories proactively supporting their customers in this area. For example, Sky puts call spend caps in place automatically for its landline customers, which customers can remove if necessary.

We also note that some signatories provide regular notifications to customers about the most appropriate tariff for their needs based on their service usage, in a way which goes beyond our regulatory requirements.⁵² For example, Giffgaff and EE's customers on pre-pay contracts that are set to recur on a monthly basis receive periodic notifications advising them on whether another tariff is more suited to their needs, with Giffgaff providing recommendations to downgrade to a lower package where appropriate. We consider it good practice for providers to send periodic reminders to all customers about the tariffs that are likely to be most appropriate for their needs, regardless of their contract type, and so we welcome Giffgaff and EE's initiatives in this area. In particular, a willingness to recommend a cheaper product, where providers think it is in the customer's best interests, shows a strong commitment to fairness and we encourage other signatories to do the same.

⁴⁹ For example, EE, O2, Three and Virgin Media.

⁵⁰ See section 6 of [European Electronic Communications Code statement](#) for more information.

⁵¹ Mobile providers must give new customers, and existing customers who extend or re-contract, the option to limit the cost of their bills. See Section 124S, [Communications Act 2003](#).

⁵² Our rules on [annual best tariff notifications](#) apply only to contracts which were previously subject to a minimum commitment period. This means that most pre-pay contracts, and some 30-day rolling contracts, are not captured by the requirement to send customers an annual best tariff notification.

When customers are approaching the end of their contract there are regulatory rules to support them to make an informed choice and get a fair deal. Signatories shared only limited examples of going beyond rules proactively to provide further information after customers' contracts expire

We have rules in place to ensure customers are notified before their contracts end, or after it is ended, so they can make an informed choice about what to do next. In particular, we require providers to send important information to their customers about their service when their contracts are coming to an end, and on an annual basis after that if customers continue to stay out-of-contract.⁵³ We have been collecting evidence from providers to test the effectiveness of end-of-contract notifications and will publish our initial findings this year. However, some customers may find it harder to act on notifications sent from their providers. We have not seen proactive measures from signatories to provide further information to customers after they have gone out-of-contract. We encourage signatories to consider whether there is more they can take do to model fairness in this area. For example, this could include sending information about how to access better or cheaper tariffs to customers who are out-of-contract to help them get a better deal.⁵⁴

In the context of informed choices, and in the spirit of commitment 3 we have also reviewed how signatories support customers once they cancel a contract but want to continue using the email address service provided by their broadband provider. Signatories to the commitments have different policies about what happens to a customer's email address if they switch.⁵⁵ Customers might not be aware of these differences, or indeed the options open to them on cancellation of their contract, and therefore it is important that any email address options are clearly explained to them in the communications they receive about ending their contract.

We were concerned BT and TalkTalk were not making their communications with customers on this issue sufficiently clear. Following our engagement with them, BT has now updated its communications to make it clear that when customers change provider, they will still have access to a basic BT email service and also have the option of a paid-for premium service. TalkTalk's revised communications will let customers know that they have a two-year period where their TalkTalk email service remains accessible if they have not opted to take up the paid-for service.

⁵³ See our rules on [end-of-contract notifications](#).

⁵⁴ We recognise that data protection rules around direct marketing may impact signatories' ability to send such information to customers that have opted out of direct marketing. However, we understand that providing customers with neutral information about available packages, rather than promoting a particular deal, is less likely to constitute direct marketing.

⁵⁵ Plusnet and Sky customers can still access their Plusnet and Sky email addresses for free after their broadband contract has ended. Virgin Media's policy is to delete email accounts 90 days after the customer has left. BT offers a free basic email service and a paid-for premium service, while TalkTalk allows two-years of continued free access, as well as a paid-for option.

Commitment 4

Customers' services work as promised, reliably over time. If things go wrong providers give a prompt response to fix problems and take appropriate action to help their customers, which may include providing compensation where relevant. If providers can't fix problems with core services they have promised to deliver within a reasonable period, customers can walk away from their contract with no penalty.



This commitment reflects customers' expectations to receive a reliable service which works in the way promised and that, when problems arise, signatories take steps to minimise disruptions and handle complaints in the right way. This commitment is also underpinned by excellent customer service which is the cornerstone of treating customers fairly.

While services have held up well in general, loss of service can cause significant disruption to customers' daily lives. Providers have described improvements in identifying faults (including customer-level router checks or allowing customers to report and check faults through digital tools).

There remain important areas where signatories should focus on improving fair treatment: Signatories must focus on improving customer service, following challenges faced in the past year. We consider good customer service an essential component of a fair culture, and we intend to monitor this closely. Signatories should continue to focus on improving the reliability of their services. Customers are most likely to have a reason to complain in the broadband sector. We welcome the steps taken by the signatories that have signed up to and are fully complying with voluntary codes on automatic compensation and broadband speeds, but are disappointed that some signatories are still not taking part in these schemes, and we encourage them to do so as soon as possible.

Networks have largely held up during the pandemic and most customers are satisfied with their services. Among those who have made a complaint to their provider, just over half said they are satisfied with how it was handled

The UK's fixed broadband and mobile networks have largely held up amid increased and changing demand during the pandemic. Ofcom's latest [Connected Nations](#) report shows that lockdowns drove increased demand on broadband networks during the day, although peak usage remained in the evening, while mobile networks experienced increases in voice traffic. Ofcom worked with internet service providers and content providers to manage demand during the initial lockdown period.

Ofcom's research⁵⁶ shows that overall satisfaction with service provision is highest among mobile customers (90%), and at a similar level to satisfaction with current account providers and electricity

⁵⁶ Source: [Ofcom Customer Satisfaction Tracker Nov-Dec 2020](#).

providers (both 88%). For landline and broadband around 8 in 10 customers report being satisfied with their overall service.⁵⁷

In 2020 a quarter of customers said they had a reason to complain about their broadband provider (26%), followed by mobile (10%), Pay TV (9%) and landline services (7%).⁵⁸ Overall, the most common reason to complain across all services was 'service not performing as it should', followed by a billing or payment issue. Our latest complaint handling research shows that just over half of respondents across all sectors reported being satisfied with the overall handling of their complaints (52% in broadband, 53% for landline, 54% for Pay TV and 57% in mobile).⁵⁹ Satisfaction with complaint handling was lower among people with at least one limiting or impacting condition.⁶⁰ This has been relatively consistent since before the commitments were launched and we think signatories should take steps to improve complaints handling as a priority.

Providers are investing in networks and developing more ways to identify faults

Customer expectations and use of communications services rise each year. In response, communications providers continually invest to improve the performance of their services, such as the current rollout of 5G mobile and full fibre broadband. These new technologies systems can deliver both enhanced performance and greater reliability if implemented appropriately. Ofcom's latest [Connected Nations](#) report showed that over the past year, access to full fibre has increased from 10% to 18%, while the number of mobile base stations offering 5G rose ten-fold. Many signatories included details about their approach to rolling out these technologies in their submissions. Supporting investment in faster broadband and better-quality mobile networks is a priority for Ofcom alongside promoting fairness for customers, and we welcome the ongoing investment signatories are making.

We consider improvements in fault identification to be good business practice as well as a way to help provide a prompt response to fix problems. Signatories have told us about measures that they use to identify faults directly at individual and areas levels, as well as tools that customers can use to identify faults themselves. In the broadband sector new Wi-Fi routers, in addition to offering better signal than before, are increasingly facilitating testing at the access point or individual customer level, which can support more accurate diagnosis of problems. This can often allow an issue to be resolved remotely, without the need for an engineer visit. In the Pay TV sector, Sky told us about developments underway to identify and resolve emerging faults with technical equipment without customers needing to report them. Some providers told us about new self-diagnosis tools and fault reporting channels they offer customers.

Our latest Comparing Customer Service report shows that in broadband and landline, faults resulting in total loss of service were resolved on average within 2 days and nine in ten (89%) of total loss of service faults were solved within a week.⁶¹ Virgin Media had the highest proportion of total loss of

⁵⁷ Overall satisfaction with service: Pay TV 82%, bundle provider 82%, broadband provider 80%, landline provider 77%.

⁵⁸ Source: [Ofcom Reasons to Complain 2020 research](#).

⁵⁹ Source: [Ofcom Complaints Handling 2020 research](#). Our analysis found that the Complaints Handling research sample has a higher than expected representation of those with impacting/limiting conditions. We are conducting further analysis on the data to better understand the impact of this and reviewing the sampling approach. See [Comparing Customer Service report, Annex A2: Consumer research sources](#)

⁶⁰ Source: [Ofcom Customer Satisfaction Tracker Nov-Dec 2020](#): landline (48% vs 62% without), broadband (48% vs 58% without), mobile (52% vs 65% without), Pay TV (47% vs 64% without).

⁶¹ BT, EE, Plusnet, Sky, TalkTalk and Vodafone all provide a service using the Openreach network. For customers of these providers, how quickly a network fault is fixed depends in part on when the issue is referred to Openreach and the level of service the provider has paid for from Openreach.

service faults solved within a week at 98%, while BT (82%) and Vodafone (78%) had the fewest solved in this period.

In the year ahead, we expect signatories to improve customer service in response to faults

Many customers choose to report a fault by calling their provider. Our [Comparing Customer Service](#) report shows that in 2020 mobile customers who called their provider about their service spent 2 minutes 7 seconds on average in a queue (up by 49 seconds on 2019), while broadband and landline customers spent 4 minutes 9 seconds on average in a queue (up 1 minute 59 seconds). While we recognise the unprecedented circumstances that signatories have been responding to, we have concerns that customers have persistently faced issues reporting faults over the last year. We now expect all providers to focus on restoring levels of customer service to satisfactory levels, including dealing with complaints and providing automatic compensation and other forms of redress where appropriate. We will continue to monitor the number of people satisfied with complaint handling and we expect it to rise before we ask signatories to report to us on progress again next year.

The Broadband Speeds Codes of Practice are designed to allow customers to leave penalty free if speeds cannot be delivered as promised in good time, but not all signatories have signed up fully

In some cases, faults reduce the quality of a connection without shutting it down entirely. The [Broadband Speeds Codes of Practice](#), which most of the UK's largest providers have signed up to,⁶² offers some protection in these cases. As noted in the previous chapter, the Codes require signatories to provide residential and business customers with estimates of the speeds they are likely to receive at the point of sale. If speeds fall below the minimum guaranteed level and the issue is on the provider's network, providers have 30 days to resolve it. If they cannot do so, customers have the right to exit their contract, penalty free. We encourage Sky and Vodafone to re-join the residential Code as soon as possible and to implement its requirements in full, and we encourage Plusnet to implement live sync speed estimates in line with the other signatories. We intend to report on signatories' compliance with the requirements of the Broadband Speeds Codes of Practice later this year.

Most broadband signatories offer automatic compensation

Where customers have had a loss of service and experienced a delay in their provider fixing the problem, they may expect some form of compensation. In 2019 Ofcom launched the [automatic compensation scheme](#) which provides automatic compensation where landline and broadband customers experience delayed repairs following a total loss of service, missed appointments or delays to the start of a new service. Four signatories to the commitments - BT, Sky, TalkTalk and Virgin Media - have signed up to this voluntary scheme along with three other providers. This is an important scheme for customers, and we welcome providers' agreement to increase compensation levels in line with inflation from April 2021.⁶³

⁶² The current signatories that are signed up to the fairness commitments and the [residential code](#) are BT, EE, Plusnet, TalkTalk, and Virgin Media. BT, TalkTalk and Virgin Media have also signed up to the business Code. Although Sky is not currently a signatory of the Codes, it continues to offer the right to exit to customers where they cannot resolve the issue within 30 days.

⁶³ We have agreed with signatories that starting from 2021 payments will increase from 1 April each year based on Consumer Price Index (CPI) as of 31 October in the previous year. New payment values will be stated on Ofcom's website when they come into effect. See Ofcom's [review of the automatic compensation scheme](#) for more information.

Our latest [Comparing Customer Service](#) report shows that signatories to this scheme paid over £27.5m in automatic compensation in 2020. Providers who are signed up can also go beyond the scheme's requirements, such as giving compensation in cases that are out of scope. Virgin Media, for example, told us about a case where it compensated landline customers during an outage, despite the loss of service being resolved before an obligation to pay automatic compensation was triggered. We welcome the fact that EE joined the automatic compensation scheme on 4 May 2021, but are disappointed that Plusnet and Vodafone are yet to fulfil their earlier commitments to join the scheme. These providers have told us they plan to do so later this year (Vodafone has told us it will join in in June and Plusnet in the autumn). We encourage all providers who have yet to sign up to the scheme to do so as soon as possible.

Commitment 5

Customers can sign up to, change and leave their services quickly and smoothly. Providers ensure that customers who are leaving do not face additional barriers or hassle compared to those who are signing up to new services.



It is important that customers can exercise choice and take advantage of the range of offers available in communications markets by being able to switch provider easily. Signatories have a number of existing formal requirements in this area and Ofcom has also introduced [new switching rules](#), which will come into force in December 2022, to make the switching process simpler for customers, and we are consulting on a new process for residential customers to switch easily across networks and providers. Our focus here is on the additional steps that signatories are taking voluntarily to support customers when they are changing or leaving their service.

In reviewing progress on this commitment, we have seen examples of good practice, including some policies in relation to contract flexibility, automatic refunds on outstanding mobile balances and positive broadband home moving policies. However, none of these are being adopted by all signatories. Moreover, the central focus of this commitment is on providers modelling fairness in a way that ensures customers who are leaving do not face additional barriers or hassle compared to those who are signing up to new services, and in this regard overall progress has been limited. We want signatories to aim to remove additional barriers customers face when cancelling and they should make effort to offer the same channels for leaving as there are for signing up. While we have seen some examples of providers offering, for example, multiple non-real time channels, we think all signatories should aim to go further in this area.

Most customers who switch find this 'easy' but some who switch, or attempt to switch, experience difficulties

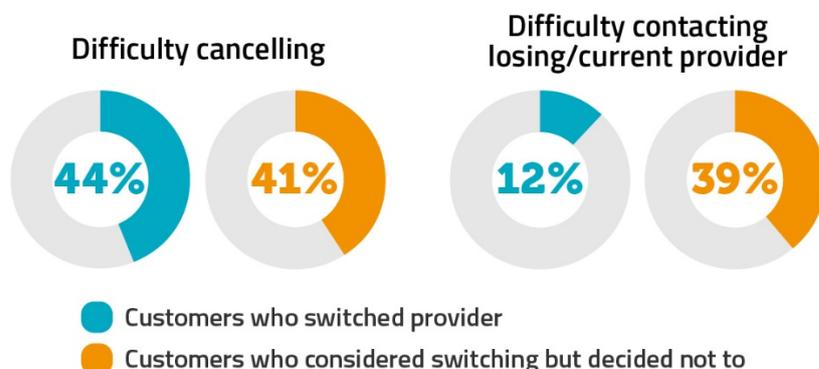
Not everybody who considers switching provider actually does so. Half of those who considered switching but decided not to, said the 'switching process being too time-consuming' was a factor in their decision. As shown in Figure 3, two fifths (41%) said 'difficulty trying to cancel their current service' was a factor in their decision not to switch and a similar proportion of switchers experienced 'difficulty' with this aspect of the process. Two fifths (39%) said 'difficulty contacting their current provider' was a contributing factor to their decision not to switch and one in ten (12%) switchers said they experienced 'difficulty' contacting their losing provider.⁶⁴ The 'hassle of needing to contact more than one provider' was also a factor deterring half of those who considered switching.

Complaints to Ofcom have also highlighted the additional hassle that may be involved in trying to contact the losing provider by phone to switch landline and broadband. Some customers trying to switch between different physical networks have complained about having to make multiple

⁶⁴ [Source: Ofcom Switching Experience Tracker 2020.](#)

attempts to try to get through to their losing provider to cancel, while others have said they faced high call wait times. Customers have also complained about having to speak to the losing provider and the lack of automated options for cancelling.

Figure 3: Difficulties experienced when contacting losing/current provider by switchers and those who decided not to switch



Source: Ofcom Switching Experience Tracker, rolled data March-April and September-October 2020. All interviewed about their switching experience in the 6 months preceding interview (2,234) or their decision not to switch (1,268)

Signatories often make it easier for customers to sign up to a service than to leave

In the past year, we are aware that some customers have been experiencing significant challenges contacting their provider to cancel services, due to longer than average call centre wait times. All providers are required to ensure that their procedures for contract termination do not deter customers from switching and to offer a range of communications channels for customers wanting to cancel. Ofcom has also provided some examples of good practice in this area in our [guidance](#) on these rules,⁶⁵ including reflecting different customers’ preferences and needs with both real time and non-real time options. Non-real time options - such as email, post or online account - allow customers to leave their service without having to speak to customer-facing staff.

We consider that to model the fairest approach in keeping with this commitment, signatories should aim to offer customers at least as many channels when they want to cancel as when they want to sign up for services. We also think that customers should not face other additional barriers when leaving through these channels compared to signing up. Further, signatories can model fairness by following our guidance setting out good practice on *communicating* the channels available to customers, including having relevant information on a dedicated cancellations webpage.

Overall, we do not consider signatories have demonstrated that they are modelling best practice here across their services. We have observed some positive practice from BT Mobile, O2, Sky and Three, for example, who told us they offer more than one non-real time channel for customers to cancel contracts. Overall, though, we consider that signatories should go further. We encourage them to continue seeking improvements in how they reflect different customers’ preferences and needs in the range of options offered for cancelling services, and to promote these services clearly.

⁶⁵ Our [guidance](#) provides examples of good practice in this area, in relation to: the communication channels available for terminating contracts; identification and verification procedures; maximum notice periods, and internal processes for customer agents handling termination requests.

For example, where signatories offer post as the only non-real time channel to cancel, we think they should seek to add other non-real time channels such as email or online accounts.

Some signatories offer products which offer flexibility during minimum commitment periods

Customers' circumstances or usage needs may change during the life of a contract. Contracts are binding for the duration of their minimum commitment periods, although signatories often show flexibility to help customers. Many told us they allow customers to upgrade their service allowance, or package, during their contract without having to extend the length of their contract.⁶⁶ Some signatories also shared information about a number of limited products which provide customers the flexibility to amend their service allowing them to downgrade their tariff during their contract, although not all changes are free or comprehensive.⁶⁷

Some broadband signatories are showing good practice in helping customers who move home

When customers move home and are still within their minimum commitment period, providers generally offer a choice of options including continuing with their existing contract and paying a moving fee (which recognises that providers incur costs from a transfer), or signing up to a new contract and waiving the moving fee. We welcome the approach taken by BT, EE and Vodafone, who allow their customers to move home and continue with their original contract without paying a moving charge. Customers who move home within their minimum commitment period may also expect to be able to access the same service in their new address. BT, EE, Plusnet, Sky, TalkTalk and Vodafone told us they allow customers to leave without penalty if they cannot provide a similar level of service at the new address, and we welcome this approach. Virgin Media is the only broadband signatory whose customers have to pay an early termination charge if they move to an area where it does not provide service, although they are made aware of this at the point of taking service. We encourage Virgin Media to consider what more it can do to treat customers fairly in this regard.

All signatories apart from Three have systems to automatically refund mobile customers if they leave when their account is in credit

When a mobile customer on a pay-monthly contract terminates their service, we think a fair approach to dealing with any remaining account credit involves providers issuing refunds to them automatically (rather than relying on the customer to apply for it). This reflects the fact that some customers may not know about their remaining balance, or face difficulties in applying for a refund. Most providers told us that they do give refunds automatically, which we welcome. As part of our work on fairness, we raised concerns with O2 about its refund policy, whereby it provided automatic refunds only where a customer's account was in credit by £20 or more, and following our engagement it has now extended automatic refunds to all customers with £5 or more credit in their

⁶⁶This includes O2 and Tesco Mobile customers on bundled contracts. Three allows customers to vary their price plan to increase their allowance and corresponding price plan cost without extending their contract term. These changes can also be made on some of BT's new TV packages and Sky and Virgin Media packages.

⁶⁷ Examples include Tesco Mobile's 'Anytime Upgrade Flex' plan which can be changed once a month; Sky allows customers to downgrade their service packages and certain TV packages, Sky Mobile customers can also upgrade or downgrade their SIM plan; BT mobile Family-Sim customers and BT's new TV packages; O2's 'Custom Plan' (customers can downgrade once during a billing cycle and only within a set allowance). Virgin Media told us that customers are able to change all services, with some changes incurring charges for downgrading depending on the original contract. Three customers can, in certain circumstances, decrease their allowance and corresponding price plan without extending their contract term.

account. Three is the only signatory that, regardless of the level of the credit balance, requires its pay monthly customers to proactively contact it for a refund when they receive their final bill (which advises customers to contact Three to arrange a refund). We encourage signatories who do not provide automatic refunds to all customers with remaining credit balances to consider whether they can take further steps to ensure fairness in this area.⁶⁸

⁶⁸ We have [new rules](#) coming into effect in this area for pre-paid customers. From December 2022, providers will be required to refund, upon request, any remaining credit to customers using pre-paid services who switch to a different provider.

Commitment 6

Customers can be confident that fair treatment is a central part of their provider's culture. Companies can demonstrate that they have the right procedures in place to ensure customers are treated well. They keep these effective and up-to-date.



This commitment encourages signatories to focus on embedding fairness within their business culture. It is broader than some of the other commitments and some of the action taken by signatories in this area will not be directly apparent to customers where it is internal or procedural. Rather, over time these changes should help to deliver more positive experiences in a range of ways, which in turn can increase customers' sense of fair treatment. Embedding a fair culture across a business can help to address existing consumer issues and pre-emptively prevent new unfair practices from arising.

We recognise that sustainable cultural change can take time to embed, and that signatories have faced particularly challenging circumstances over the past 12 months, as reflected in the context chapter of this report. In these circumstances, we welcome the broad range of steps signatories have taken since 2019, which have the potential to embed fairness within their business culture. For example, all signatories with the exception of Giffgaff, O2 and Three described having at least one of a named champion for fairness or regular internal forums specifically covering fairness issues, and BT has demonstrated the most activity in these areas.⁶⁹

We are acutely aware initiatives such as internal champions or working groups need to be effective in order to improve customer outcomes. So, in a year's time, we expect signatories to be able to report in more detail on the impacts on decision-making processes that such internal changes have had. This can be achieved in a range of ways. We strongly encourage, for example, more providers to follow the lead of BT Enterprise, O2, Plusnet, Sky, Three, and Virgin Media in establishing customer and staff research on various attitudes towards fairness.

Signatories have shared information about the Commitments directly with staff, as well as through training, fairness champions or fairness-related forums

Sharing information with staff about the importance of fairness and how to deliver it in practice can help to build a fair business culture. One way to do this is to include fairness in staff training, and some signatories shared information relating to this. For example, O2 shared materials showing the customer experience principles it uses for staff training. This includes promoting fairness and trust with positive measures for staff to take (such as giving customers the benefit of the doubt and doing right by them), as well things to avoid (such as confusing customers with different products and

⁶⁹This includes appointing a Non-Executive Director on fairness, setting up a new quarterly panel with customers and consumer groups, appointing senior and working level fairness champions, and setting up a new marketing fairness forum.

prices). Sky told us it has rolled out mandatory training for all staff on vulnerable customers. As set out in chapter 2, providers also offer training to help staff support vulnerable customers.

In addition to formal training, some signatories have promoted the commitments directly to their staff in other ways. BT, for instance, has promoted and cascaded the commitments to its staff. As set out below, many signatories have set up working groups with specific responsibility for fairness. Tesco Mobile provided an example of how signatories can share information with staff and use fairness champions: it has created a page on its staff intranet about fairness and vulnerability, which includes a video from its vulnerable customer champion explaining the importance of the commitments and the vulnerable customer policy to their business.

Many signatories have appointed senior fairness champions, operational roles and internal forums to promote fairness

Assigning specific responsibility to named staff to act as fairness champions or executive sponsors can help to embed a fairness culture. Most signatories told us that they have a senior staff member responsible for promoting fairness. In some organisations this is the Chief Operating Officer (Sky, Virgin Media), Chief Financial Officer (Tesco Mobile), Managing Directors for Consumer or for Customer Service (BT, EE, Plusnet, TalkTalk). In some cases, these roles also cover vulnerability.

BT Group also reported its upcoming plans to assign responsibility to one of its Non-Executive Directors to act as a fairness champion, challenging BT, EE and Plusnet's progress with the commitments and reporting directly to its board on fairness progress, working with the Compliance Committee and drawing on reports from internal fairness forums. We consider that this approach, pending effective implementation and evaluation, to be an example of best practice and would encourage other signatories to consider a similar initiative.

Some signatories have operational roles to embed fairness within their business. For example, Virgin Media told us it has recruited two new positions to its Commercial Customer Policy and Fairness team, with a remit that includes delivering change to support the commitments. Other providers such as BT and Sky have roles embedded into different teams to promote interests of vulnerable customers, such as when developing new products and services. Some other signatories told us that they prefer to promote a fairness culture without using a named figurehead - we encourage signatories to find ways to promote fairness in different ways to suit their own businesses, although it is important that they can measure and demonstrate how effective their different approaches are.

In terms of internal forums, some providers reported that they have discussed fairness specifically at Board level. For example, BT Group shared details of a specific Board meeting which covered the fairness commitments, and Tesco Mobile provides updates on the commitments to its executive team. Many signatories have also recently discussed fairness at Board level in the context of planning their responses to Covid-19, such as to agree specific support packages for customers.

Most signatories have discussed fairness either at dedicated or at more general working level forums, much of which is new since 2019. For example, BT, EE and Plusnet launched their Marketing Fairness Forum in 2020 and Tesco Mobile has a fairness commitments working group where fairness is discussed regularly. BT, EE and Plusnet also told us about their new Quarterly Fairness Panel, which will bring together company Directors, customers and consumer groups to provide a critique

of interventions as well as to share lessons learned and agree improvements. Other signatories also reported discussions of fairness at different internal forums.⁷⁰

We consider that where signatories have been able to report setting up or using regular forums to discuss fairness, this can help to demonstrate that they are starting to place a greater emphasis on fairness since signing up to the commitments. But this is only the start and these initiatives will need to yield positive improvements for them to have successful outcomes. In a year's time, we expect signatories to be able to report in more detail on the impact on decision-making processes that such internal forums have had and the outcomes that they have achieved.

Some providers are innovating to gather feedback from customers and staff on their perceptions on fairness culture

Gathering data specifically on perceptions of fairness from customers and staff can help to track progress and to create a feedback loop to identify any areas that need to be improved. We welcome that O2 and Sky conduct research with customers on their perceptions of various aspects of fairness. Some signatories have also started to survey their own staff on fairness. Plusnet told us that it conducts a quarterly employee survey, which covers perception of whether the business is operating fairly, and ethically, while BT Enterprise includes questions on efforts made to promote customer fairness. Virgin Media told us that it has plans to introduce staff survey questions on whether staff feel that treating customers fairly is central to Virgin Media's culture.

Signatories also use other methods of monitoring customer and staff sentiment, as well as potential fairness issues. Three told us, for example, that it seeks fairness insights from tracking of social media activity and complaints. We encourage signatories that did not report on ways in which they are gathering feedback on their fairness cultures to address this in the year ahead.

Some signatories are promoting fairness commitments directly to customers

Sharing information about fairness commitments or fairness-related policies can both raise awareness amongst customers and help demonstrate that providers are embedding fairness within their businesses. Some providers are promoting their commitment to fairness directly to customers: O2 and Tesco Mobile publicly reference the fairness commitments on their customer-facing websites, for example. All signatories have taken steps to promote the additional support they are offering customers during the Covid-19 pandemic, such as with landing pages on their websites.

As signatories continue to embed fairness within their businesses, we encourage them to take further steps to communicate their approach with customers. While we welcome many of the internal changes that providers are making to promote fairness, we consider it essential that they can record the customer outcomes that they are achieving relating to fairness. By communicating their activity to customers, signatories should be able to raise customer confidence that they will be treated fairly. And since customers are more likely to take up new services or technologies as they become available if they are confident that they will be treated fairly, we also think communication of their work related to fairness can support investment in new services.

⁷⁰ Vodafone described how its Conduct Risk Forum features a standing item on fairness with heads of department responsible for every customer engagement point and product. Three told us it had discussed fairness at two internal board sessions and numerous operational meetings.