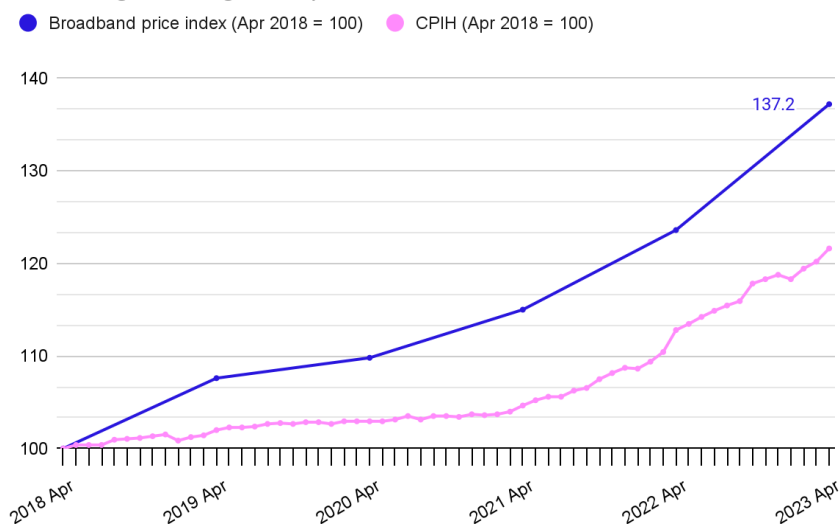


Broadband affordability: summary factsheet

1. Headline Figures

- The poorest households spend proportionally almost 12 times (11.75) more of their disposable income on broadband than the richest, and **3.5 times more than the median household**.
- This equates to almost 5% of disposable income being spent on broadband alone amongst the poorest households.
- 8.1 million households find it difficult to afford a broadband connection but **only 4.2 million are eligible for social tariffs**¹, in part because around 23% of the poorest fifth of households (around 1.6 million people) either do not meet eligibility criteria (for means-tested benefits) or are eligible but not claiming.²
- Collectively, eligible households are missing out on **£768 million** of potential savings³
- Broadband spending has increased for all households, but the increase in spending has been nine and a half times greater for the poorest households.

Broadband prices versus inflation (CPIH, consumer price index including housing costs) over time



¹ Ofcom, 2023, [Affordability of Communications Services, April 2023 Update](#)

² Schmueker, K. & Elliot, J. 2023, [On a low income, but not claiming means-tested benefits](#), Briefing Paper, Joseph Rowntree Foundation

³ Alex Clegg et al, 2023, [Missing out: £19 Billion of Support Goes Unclaimed Each Year](#)

2. Market

- Broadband costs are rising faster than inflation
- **85% of social tariffs** on the market are delivered by one provider – BT⁴
- Prices range from £12-20 per month, with BT's packages being £15-20 per month.
- All social tariffs offer lower speeds than mainstream packages
- The share of broadband spending is shifting upwards for all households, but is most pronounced for the poorest 10% who have experienced a 0.38% rise in broadband expenditure, compared to a 0.04% rise for the richest: nine and a half times greater.
- **Some households (in receipt of out-of-work Universal Credit) could be paying almost a tenth of their income on broadband (9.34%)** if they are on a standard tariff.

3. Awareness

- 2 in 3 households (63%) have not heard of social tariffs⁵
- Only **5.1% of eligible households have a social broadband tariff**⁶ – meaning **5.3 million people** are missing out on secure broadband access in their own homes.
- 44% of those who have heard of social tariffs are concerned about lower speeds⁷
- **2.4 million** people are on a low income, yet are not able to access a social tariff.

⁴ Sweney, M. 2022, [BT asks ministers to help pay for low-cost broadband for poorest customers](#), The Guardian

⁵ Jooshandeh, J. 2022, [Broadband social tariffs research](#), Insight Article, Which?

⁶ Ofcom, 2023, [Affordability of Communications Services – April 2023 Update](#)

⁷ Jooshandeh, J. 2022, [Broadband social tariffs research](#), Insight Article, Which?