

Annual CPI Price Increase Policy

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1. What does CPI mean?

- 1.1. CPI, which stands for Consumer Price Index is the official measure of inflation of consumer prices in the UK. The CPI calculates the average price increase as a percentage from a whole range of goods and services, supplied in the UK.
- 1.2. The CPI percentage is then used to measure the rate of inflation and at what price our goods and services needs to be at, to remain in line with inflation.

2. What is an annual CPI Price increase?

- 2.1. Every February, we take the data from the Office of National Statistics to calculate the percentage increase of inflation for the previous 12 months.
- 2.2. We then use the rate of inflation, plus 2% to calculate what increase will apply to your monthly package price, which we then notify our customers at least 30 days in advance of the price increase, which takes effect each April.

3. How will my prices increase?

- 3.1. All products and services that you pay for monthly form part of your total monthly price. Your total monthly price is then calculated and increased by the CPI rate, plus 2% (The 2% is lower than industry standard).
 - 3.1.1. For example, if your package was £30 per month, the rate of inflation was 6%, then your package would increase by 8%, which is £2.40 per month.
- 3.2. If the rate of inflation (CPI) is a negative figure, then the price increase would only be 2%

4. Why do I have an annual CPI increase?

- 4.1. CPI increases are passed on to customers to manage annual price increases from our suppliers, ensure that we can continue to provide our services, invest in new products and services, and improve our services to you.
- 4.2. The increase helps cover all our costs, from suppliers, staff, products, and services to ensure we can deliver the best service as possible to you.

5. Can I cancel for free due to an annual CPI price increase?

- 5.1. Before you agree a contract with us, we will advise you that the CPI increase will happen every year, including giving you an example based on the prior year of inflation and what that would look like, based on your chosen package price.
- 5.2. If you then decide to agree a contract with us, as you would have already agreed to the CPI increase, then you would not be able to cancel the contract free of charge and our standard cancellation policy would apply.

Key Points

CPI is the official measure of inflation for customers in the UK.

The CPI increase happens every April and is based on the previous 12 months inflation rate, plus 2%.

We will notify you at least 30 days in advance of any price increase.

The increase will apply to your total monthly package price.

If your package was £30 per month and the CPI percentage was 6%, your package would increase by £2.40 per month.

CPI increases happen to cover the increase of business costs and the rate of inflation in the UK.

We will let you know about CPI increases before you agree a contract with us.

If you decide to cancel your contract due to a CPI increase, then cancellation fees would apply.