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CICRA media release

Regulator considers quality of service targets for telecommunications businesses

CICRA (the Channel Islands Competition and Regulatory Authorities) is consulting business and consumers on the question of whether the quality of service offered by the islands' telecommunications companies should be regulated.

The regulator is seeking views as to whether the Channel Islands should have a common set of quality performance measures and, if so, what the content and scope of these standards should be as well as whether breaches of standards should result in penalties or compensation payments to consumers.

CICRA chief executive, Andrew Riseley, said that while most operators collected quality of service data, this data was not published and there were very few guarantees of service standards offered by operators to consumers or formalised guarantees for compensation payments for service failures.

"It might be argued that consumers' expenditure on telecoms is high (as compared to post for example) and that the ramifications for customers of quality of service failures in telecoms are serious.

"Equally it could be maintained that quality of service data is not required in markets which are competitive since, if a customer experiences poor quality of service, they have the option of switching.

“However, while there is competition in the mobile and, to a lesser extent, retail broadband markets, the fixed-line market is still dominated by JT in Jersey and Cable & Wireless in Guernsey and the dominant providers have fewer incentives than those in a competitive market to maintain high quality of service,” he said.

Mr Riseley said good quality, transparent and published information on performance could provide consumers with informed choice, improvement in quality of service and improve consumers’ ability to assess value for money.

“Currently there is no consistency between the data collected or target levels so it is not possible to compare and contrast the operators’ performance or performance by a single operator across Jersey and Guernsey. Also compensation payments for failure to deliver service between operators vary.

“CICRA’s duties, among others, are to further the interests of consumers and the economic well-being of the Channel Islands. We believe that a joint approach to regulating telecommunications quality of service will best enable these duties to be met.”

The consultation asks businesses and consumers to consider whether telecom operators should be required to report their quality of service performance, whether targets should be set for those measures and whether penalties or compensation should be paid if any such targets are not met. As part of the consultation, CICRA has benchmarked the current performance of operators in the Channel Islands with best practice elsewhere.

Mr Riseley said that if, after considering the views of respondents to the consultation, it was decided that regulatory action should be taken then the regulator would aim to issue a direction under the relevant operators’ licences by the end of the second quarter this year.

Interested parties are invited to submit comments to CICRA in writing or by email by 6 May 2013. For further information, go to www.cicra.je or www.cicra.gg.

NOTES TO EDITORS:

All enquiries should be directed in writing to CICRA Chief Executive, Andrew Riseley, in Guernsey at the Guernsey Competition and Regulatory Authority, Suites B1 & B2, Hirzel Court, St Peter Port, Guernsey GY1 2NH or in Jersey at the Jersey Competition Regulatory Authority, 2nd Floor, Salisbury House, 1 - 9 Union Street, St Helier, Jersey JE2 3RF. Alternatively email info@cicra.gg.

About CICRA:

The Channel Islands Competition and Regulatory Authorities or 'CICRA' comprises the Jersey Competition Regulatory Authority (JCRA) and the Guernsey Competition and Regulatory Authority (GCRA) (formerly the Office of Utility Regulation). The JCRA was established under the Competition Regulatory Authority (Jersey) Law 2001, and the GCRA

was established under The Guernsey Competition and Regulatory Authority Ordinance, 2012. In Jersey, the telecoms and postal sectors are regulated by the JCRA, which is also responsible for administering and enforcing the Competition (Jersey) Law 2005. In Guernsey the telecoms, postal and electricity sectors are regulated by the GCRA, which is also responsible for the administration and enforcement of the Guernsey competition law since it came into force on 1 August 2012.

By working together and sharing resources and expertise between the islands, CICRA strives to ensure that consumers in all the Channel Islands receive best value, choice and access to high quality services.