



13 May 2013

CICRA media release

'Fixed means fixed' - Customers to get more protection against changes to fixed-term telecoms contracts

Telecoms customers in the Channel Islands are set to get more certainty when entering into fixed-term contracts with operators under proposals put forward by CICRA (the Channel Islands Competition and Regulatory Authorities).

CICRA is seeking comments from interested people and businesses to its consultation, launched today, on whether telecoms operators should be limited in varying consumer contracts for landlines, mobile and broadband services during a fixed term.

CICRA chief executive, Andrew Riseley, said operators were currently free to make alterations, including price increases, to fixed-term contracts and Channel Islands consumers were not covered by any consumer protection legislation in this regard.

“When consumers enter into a telecoms contract, for 12 or 24 months, they have a right to expect that the terms of that contract will not change during that period. Fixed-term contracts should provide certainty about the services customers will receive and the associated monthly cost.”

“We want to ensure consistent practice across the telecoms industry to prevent consumers from being adversely affected and we have issued this consultation on proposed changes to be implemented across Guernsey and Jersey as the next step in addressing this issue.”

Mr Riseley said that, in Jersey, a decision by JT to remove a 100MB monthly allocation of free data from 9000 customers had resulted in several complaints to CICRA. In the UK, Which? and Ofcom have received thousands of complaints from customers as a result of mobile operators increasing prices during fixed-term contracts.

“In order to offer customers a level of protection, that is otherwise absent in Jersey and Guernsey, two options for change that would apply to all fixed-term contracts – mobile, broadband and landline - are being considered by CICRA. We would especially welcome comment on this issue from members of the public.

“CICRA’s currently preferred option is to add a new condition to operators’ licences which would regulate the manner in which they can make variations to fixed-term contracts. Such a change would provide certainty to consumers and operators alike,” Mr Riseley said.

Interested parties are invited to submit comments to CICRA in writing or by email before 10am on 10 June 2013. The consultation document is available at 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.