



**JT's Response to Billing Practices for  
Fixed Telecommunications Services**

**16<sup>th</sup> November 2012**

**1. Introduction**

JT (Jersey) Limited ("JT") welcomes the opportunity to respond to the Channel Island Competition and Regulatory Authority's ("CICRA's") consultation on Billing Practices for Fixed Telecommunications Services.

**2. Answers to the CICRA's Questions**

**1. Are respondents of the view that the payment deadlines in Sure's and JT's Consumer Codes of Practice give customers enough time to pay their fixed line bills ?**

JT has two billing dates of 28<sup>th</sup> of the month in Jersey and 15<sup>th</sup> of the month in Guernsey. Customers should receive their bill within 10 working days of the bill date. E-bill customers receive email notifications of their bill on the 1<sup>st</sup> week of every month.

JT allows 21 days from the date of bill postage for payment. Bill reminders are then sent out dated 29<sup>th</sup> (Jersey) and 17<sup>th</sup> (Guernsey) on the following month giving customers 7 days from the date on the reminder in which to pay their bill.

If payment is not received after the reminder letter and the late paying customer has a good payment history, they are contacted by phone and sent a text message to encourage payment. If payment is not received JT will restrict the telephone service to incoming calls and access to emergency services only.

On disconnecting an account we write to inform the customer and provide an additional 7 days before full recovery of the service.

JT believes that it provides sufficient time for customers to pay their bill and encourages customers who have plans to be out of the island for some time to get in touch and make arrangements to ensure payment. The process followed by JT ensures clear communication with the customer if their payment is late and each stage of the late payment process clearly communicates how long the customer has to pay their bill and what happens if they don't pay by a certain date.

**2. Respondents' views are sought on how late payment penalties and reconnection fees might be set by Sure and JT. For example, should these be proportionate to the size of the outstanding amount, or a fixed penalty ?**

JT does not levy late payment fees, however JT believe it is a useful tool to encourage customers to pay on time. JT holds the view that the level of charges for late payments should be a standard fee which equates to the additional costs borne by chasing bill payment. JT do not believe that the late payment fee should depend on the type of customer, as per Sure's policy.

**3. What alternatives are open to Sure and JT to address persistent late payers ?**

For persistent late payers, both Sure and JT have the ability to restrict the customer's service to incoming calls only and access to emergency services or to local calls only. This ensures that the chargeable usage on the account going forward is minimised until the debt is settled.

JT offers customers who have difficulty in paying their bill, the ability of signing up to a payment plan where the customer commits to paying a weekly or monthly amount to pay off the outstanding debt. Additionally, the customer's service may be restricted during this period to local calls only.

**JT's details on whether outstanding bills have increased over the past three years to August 2012, in terms of number of bills paid late and the total outstanding amount owned by late payers ? and**

**(b) What reasons explain these changes, if any ?**

JT has experienced a decrease in debt over the last 3 years but this is the result of more robust processes and a better credit awareness. We have taken on more payment plans over the last 12 months due to the current economic climate, and we have also seen an increase in those that end up going to our collection agency who then pursue the debt on our behalf.

**3. Do respondents take the view that Sure and JT should continue to provide payment methods other than direct debit ?**

JT believe that customers should have a choice of payment methods and other forms of payment methods should be offered as well as direct debit.

**4. Do respondents agree that customers who choose a method of payment different from direct debit should pay the additional cost incurred by Sure or JT in providing this particular payment method ?**

JT does not currently charge customers an additional amount to pay by another method than direct debit although the other payment methods are more expensive for JT to process. If charges are applied to payment methods other than direct debit it is important that customers are clearly informed of the charges associated with each payment method so that they can make an informed choice on how they pay their bill.

**5. Do respondents agree that Sure and JT should accept electronic transfers from customers who prefer this payment method to the use of direct debit ?**

Yes, JT agree that Sure and JT should accept electronic transfers. JT currently offer electronic transfers as a payment option.

**6. Respondents' views are sought on the quality and accessibility of information regarding what customers pay according to the payment method they choose and the costs of falling behind with their payments.**

JT agrees that both JT and Sure should ensure that all information relevant to payment collection activities should be readily available on their website.

The absence of payment charge information on JT's website is due to the fact that JT does not charge customers if they choose to pay by a method other than direct debit. JT only levy a £5.00 reconnection fee for repeat bad debtors and this fee is applied at the discretion of the credit control team. As this is not a standard charge and is only applied to repeat bad debtors it does not appear on the JT website currently.