



31 January, 2018

CICRA and Sure work together to help customers review their contracts

The Channel Islands Competition and Regulatory Authorities (CICRA) has been working with Sure to ensure their pay monthly customers who took out a contract before January 2017 are not paying more than they need to for their mobile services contract.

In the UK last year, an issue was highlighted by Citizens Advice that some mobile phone customers were continuing to pay high costs for their mobile contract even after they have paid for the cost of their handset. *[See Citizens Advice press release in Notes to Editors].*

Channel Island mobile phone operators have offered this type of contract in the past which combines a handset with calls, texts and data within the monthly price.

When this story broke in the UK, CICRA, as part of its role to inform and protect local consumers, investigated the situation in the Channel Islands.

It found that not all customers automatically have their payments reduced at the end of their minimum contract term (typically between 12 months and two years) and as a result could be paying more than if they switched to an equivalent sim-only tariff from the same provider.

Although this was stated in the provider's terms and conditions, it has been deemed unfair by a number of UK consumer bodies and CICRA has reached the same conclusion.

Local mobile operators (Airtel, JT and Sure) confirmed that while they had offered handset inclusive contracts in the past they no longer did so. This change was made by Airtel more than five years ago, by JT in 2013, and by Sure at the start of 2017.

Whilst these contracts are no longer available to new customers, a significant number of Sure's pay monthly customers remained on "handset inclusive" contracts beyond their minimum term and this may not be in their best interests.

A further group of Sure customers are within their minimum term and unless they move to a 'Sim-only' plan at the end of that period, may also find themselves paying more than if they were on an equivalent "SIM only" tariff.

Since CICRA brought this issue to Sure's attention it has been working with the operator to ensure customers' interests are protected.

Sure will be writing to all affected customers over the next few weeks, advising them that they will be automatically moved onto rolling monthly 'sim-only' plans, reducing their current monthly charge, unless they advise Sure otherwise.

Louise Read, director of CICRA, said: "We raised this issue with the operators because it is our responsibility to inform and protect local consumers and ensure that they are getting the best deal and not paying more than they need to.

"Having identified the impact on some Sure customers we welcome the steps it is taking to address the issue.

"So our message to all mobile phone users is to check your contract and make sure you are not paying more than you need to," said Mrs Read.

ENDS

NOTES TO EDITORS

For a full copy of the Citizens Advice (UK) press release issued on 20 October, 2017 click the link below:

<https://www.citizensadvice.org.uk/about-us/how-citizens-advice-works/media/press-releases/mobile-phone-networks-overcharging-loyal-customers-by-up-to-38-a-month/>

About CICRA:

The Channel Islands Competition and Regulatory Authorities or 'CICRA' is the name given to 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.

All enquiries should be directed in writing to CICRA chief executive, Michael Byrne, in Guernsey at Suite 4, 1st Floor, La Plaiderie Chambers, La Plaiderie, St Peter Port, Guernsey, GY1 1WG 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.