Progress against the Strategic Plan and Business Plan – Year Ending 31 December 2015

Publish customer satisfaction surveys on telecom operator performance, providing reliable and useful information that improves the information available to consumers in making their choices.		
Timescales	**Progress**	**Narrative**
• *Q1 and Q3*		Customer perception of the quality of telecoms services they receive is key to understanding gaps in expectation between what customers expect and what operators provide. Objective evidence in this area informs our regulatory priorities, sets incentives for operators to improve and enables us to objectively assess whether progress is taking place. We have therefore continued with biannual customer satisfaction surveys. Given the consistent relatively lower levels of ratings for customer service, we also commissioned a mystery shopping survey designed to assess the customer service provided by operators. The results of both surveys are widely reported in local media. **Customer Satisfaction Surveys** Over 2015 we carried out two surveys; the last in November 2015 the results will be published in quarter 1, 2016. The surveys ask 1000 telecoms customers across the Channel Islands for their opinion on the quality of service, billing and level of customer service that they receive from their operators. We are observing more customer focus by operators and signs of improvement over the four surveys carried out. The incentives on operators of the publicity given to these results is likely to be playing a role in this improvement. It is a measure of the engagement by customers that the sample size needed is achieved within a few days of the release of the survey, a significant volume of qualitative information is also given by participants (which is then anonymised and shared as feedback with the operators). **Mystery Shopping Surveys** During November 2015 we commissioned a mystery shopping survey to review the service received in-store and over the telephone by local operators.

<table>
<tr><td></td><td></td><td>The results were published and shared, in full, with operators with the intention that they use the results to help identify where further improvement could be made.

2016 Work Programme
We consider the levels of customer satisfaction, while showing signs of improvement, can be lifted further. During 2016 we will continue with these surveys in order to provide customers with meaningful information on operator performance where the market does not meet this need. We will also be reviewing current service standards received by customers to ensure they are fit for purpose, informed by a process led by telecom licensees driven by their customer engagement process.</td></tr>
<tr><td colspan="3">Undertake a pan-Channel Island survey of broadband quality to assess the standard of the digital supply chains delivering this service to the islands. Using the results of that work to focus regulatory priorities and/or provide policy advice to the States of Jersey and Guernsey and to consumers, where information and education might better empower resolution of issues, further raise standards and progress policy debate in this area.</td></tr>
<tr><td>Timescales</td><td>Progress</td><td>Narrative</td></tr>
<tr><td>• Reporting Q4 2015</td><td>Delayed</td><td>Following a successful pilot study undertaken in 2014, we commenced a pan-Channel Island survey of broadband quality.

The survey asked a self-selecting sample of islanders across each of the Channel Islands to install software on their home pc that would emulate different forms of usage and report data back over a three month period. That survey was completed in 2015. After a core group of users had signed up for the study the process of enlarging the study sample size took longer than anticipated (in contrast to the customer surveys).

The results of the study were in the process of being analysed at the year end. The findings of the study have potentially significant implications and in order to obtain most benefit from the study given this, we have requested that the organisation carrying out the study provides further detailed analysis before we publish. This has delayed the publication of the final report which is now scheduled for quarter 2, 2016.

2016 Work Programme
During 2016 we will release the results of the study and following this we will be working with the relevant government departments to complement existing government initiatives in areas of broadband connectivity where we consider the findings may help inform policy.</td></tr>
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Publish telecommunications market statistics that identify market developments, gauge the progress of competition, assist in the identification of market opportunities for entrants and provide accountability by incumbents through transparency of their performance in different markets.

Timescales	Progress	Narrative
• 2012 and 2013 Q3 • 2014 Q4	 Delayed	A key area identified by stakeholders is the need for telecoms market statistics. We have therefore committed to producing annual reports and over 2015 published reports for 2012 and 2013. The statistics for the 2014 year report were being analysed at the end of 2015; these are due for publication by the end of quarter 1, 2016. **2016 Work Programme** During 2016 we will continue to monitor and publish this useful information identified by stakeholders on market developments through the annual telecoms statistics report which will cover the year 2015.

Ensure the current separated accounts reporting framework is consistent with best practice and fit for purpose in Jersey and Guernsey. Where improvements are identified, redefine reporting standards and related requirements.

Timescales	Progress	Narrative
• *Q4*		Given emerging matters that altered priorities this work stream has been delayed until 2016. A consultation was subsequently issued on 19 February 2016. **2016 Work Programme** We are using this process to undertake a comprehensive review of the regulatory information provided by telecoms licensees (including separated accounts) in order to eliminate duplication and ensure ongoing regulatory obligation in this area reflect future needs without losing the need for insight and accountability by operators..

Oversee the implementation of wholesale line rental delivery by June 2015 and engage with industry to identify demand for further access competition. Where demand is identified, to draw on CICRA's regulatory powers to formally progress the availability of such access products.

Timescales	Progress	Narrative
• *WLR - Q2*		Wholesale line rental was successfully introduced across the Channel Islands on 1 June 2015. Take up has been significant in Jersey from launch date while in Guernsey take-up took longer and commenced in the latter part of 2015.

• *Engage with industry on other access products – Q4*		We carried out in depth interviews with relevant stakeholders during 2015 to assess the strength of demand for new fixed line access products, prior to launching any public process. A demand has been identified and a more detailed set of product descriptions were developed. The public process setting out the results of this engagement commenced with a consultation issued on 10 February 2016. **2016 Work Programme** During 2016 we will be working to assess the options appropriate to Guernsey and Jersey and where appropriate directly intervene by obliging further access products to accelerate the progress of competition in the fixed line call services markets.
Provide oversight and monitoring of 4G operator performance and delivery to performance standards in the interests of consumers by holding successful applicants to account in their delivery of service through independent testing and evaluation during the course of rollout of 4G.		
Timescales	**Progress**	**Narrative**
• *Ongoing*		Following our successful spectrum allocation process, the three operators awarded 4G have progressed the rollout of their 4G networks which appear to be on schedule. All operators gave commitments as part of their bids for the award of spectrum. Certain commitments were achieved in advance of the deadlines of end Q3 and Q4 2015. Other commitments with year end 2015 deadlines are currently being assessed. We have designed the auditing process to optimise the synergies in checking operator performance and have achieved significant cost savings in the testing process. Separately, as part of our consumer protection role, we have been working with operators to ensure that the rollout of 4G services is positive for islanders, given interference issues experienced during rollouts elsewhere. This included ensuring that operators have appropriate plans in place to deal with potential issues of interference with digital terrestrial television caused by spectrum in frequency ranges near those used for digital television signals. We identified potential bill-shock issues during the 4G consultation process and, as part of the award criteria, have put measures in place to address those issues by requiring 4G operators to implement opt-out caps for data roaming. At present operators have yet to negotiate 4G roaming with their international partners so the obligations and benefits of the protection we have obliged for these services are not in place. In the interim we do observe targeted measures and improved communication by operators that lower the risks of bill shock exposure.

		2016 Work Programme During 2016 we will continue to carry out testing of 4G operator delivery against performance standards, holding operators to account in their delivery of service through independent testing and evaluation of whether they have met their commitments.
Carry out assessment and award of new available spectrum in the interests of promoting competition and improving service quality in the provision of mobile telecom services to complement and/or provide substitutes for other telecoms services.		
Timescales	**Progress**	**Narrative**
• *Ongoing*		Following requests from operators for us to recommend the award of further spectrum during 2015 we have worked closely with Ofcom, and recommended the allocation of spectrum in the 10GHz band to JT, spectrum in the 900Mhz band to Airtel and Sure and in the 2.1/3.6 GHz bands for Clear Mobitel. We continue to monitor and assess spectrum that may become available in the future with a view to ensuring it is allocated in the most appropriate way, in particular, spectrum relevant to supporting future 5G services, to ensure that islanders are in a position to benefit from each technology at the earliest opportunity. **2016 Work Programme** During 2016, in the context of a wider strategic review of the telecoms sector, we will continue to assess and recommend the award of available spectrum in the interests of promoting competition and improving service quality in the provision of mobile telecom services to complement and/or provide substitutes for other telecoms services.
Conclude price setting controls in leased lines, fixed prices, fixed interconnection rates, mobile termination rates and wholesale broadband		
Timescales	**Progress**	**Narrative**
• *Various*		Leased lines – A final notice (Jersey) and a final decision (Guernsey) concluding the review of the price control for wholesale on-island leased lines was issued in May. Mobile termination rates – An initial notice (Jersey) and a final notice (Guernsey) were issued in July 2015. In the period immediately after the publication new evidence was presented which has been the subject of significant additional work prior to reissuing a new initial notice and draft decision. This is now expected to conclude in quarter

		2, 2016. Retail fixed line price controls – An initial notice (Jersey) and a draft decision (Guernsey) were issued on 17 December 2015 with a closing date for responses of 18 January 2016. New market evidence has also been presented by parties which will need to be considered before taking next steps. Fixed Interconnection Rates – A pan Channel Island consultation was scheduled to commence following the conclusion of the price control for mobile interconnection rates. Given the matters informing the mobile review the review of fixed rates will necessarily need to follow that work stream. **2016 Work Programme** We will implement controls on wholesale broadband prices and structures that facilitate effective competition. We will also ensure compliance by licensees with obligations of price control decisions for on-island leased lines services and complete the review of retail fixed line call charges and implement effective controls on the level of charges for these service to ensure customer received value for money. Finally, we will review, and if appropriate reset, the current level of mobile termination rate charges by licensees.
Consider and process application of new telecommunications licences and licence modifications		
Timescales	**Progress**	**Narrative**
• *Ongoing*		We have dealt with all requests for advice, renewal and cessation of licences and other related licensing matters that have been received during 2015. The most significant licencing activity during the period was the modification of the telecoms licences for JT, Sure and Airtel to incorporate conditions relating to the provision of 4G services as well as consolidate previous licence modifications. **2016 Work Programme** We will continue to process applications for new telecommunications licences and licence modifications as identified through wider reviews or the conclusion of investigations.

Support Ofcom and the Islands' governments in determining whether to allow radio frequency spectrum trading in the Channel Islands and what conditions need to be imposed on that trading

Timescales	Progress	Narrative
• *Ongoing*		Provision of support to Ofcom and the Islands' governments is ongoing as is a wider review of the legislative framework between the UK and the Channel Islands involving law officers.

Investigate practices by operators that may contravene their licences and / or the Telecommunications Laws or competition laws, and take appropriate remedial action

Timescales	Progress	Narrative
• *Ongoing*		We are currently undertaking a number of investigations and initial assessments in Jersey and Guernsey based on complaints that have been received or issues that have been brought to our attention. We have also concluded several of these matters by resolution with parties or formally through directions. It is our work in this area which has significantly impacted on the timescales for other work streams. Some investigations were ongoing at the year end and will conclude during 2016. As a result of one of these investigations, in February 2016 we found JT in contravention of condition 33 of its licence, directed JT to remedy its behaviour and issued JT with a fine. Another case involved voluntarily withdrawal of offers in the market which risked competition at a crucial period of market opening leading to 1 June. **2016 Work Programme** We will continue to investigate practices by licensees that may contravene their licences and/or the telecommunication laws, and take appropriate remedial action.

Review aspects of the telecom law to ensure it remains fit for purpose and seek modifications where necessary

Timescales	Progress	Narrative
• *Ongoing*		An independent review by Oxera in Jersey was completed in 2015 and the recommendations have been published. In Jersey an implementation process is underway while we understand that key recommendations from that review are being considered in Guernsey for possible implementation.

		2016 Work Programme We will work with the Minister and the States to support the implementation of the recommendations of the Oxera review. 9 of the 23 recommendations are directly applicable to the JCRA and the remainder focussed on policy and shareholder matters.
Ensuring the efficient provision of postal services, including the universal service obligation (USO), that delivers value and quality to postal users and the economy		
Timescales	**Progress**	**Narrative**
• Ongoing		No material issues have arisen in respect of efficient provision, USO and related areas during 2015. **2016 Work Programme** We will work to ensure the efficient provision of postal services in Jersey, including the USO that delivers value and quality to postal users and the economy. This area is not anticipated to form part of the Guernsey work programme priorities in 2016 aside from consultation on transition of the framework and measures for protection of consumers to the relevant Guernsey department.
Operate new monitoring of quality of service performance and targets for postal operators, to ensure that customers' needs are effectively met.		
Timescales	**Progress**	**Narrative**
• *Ongoing*		Following a request by Jersey Post and a subsequent statutory process we have agreed to amend Jersey Post's quality of service targets by withdrawing the formal target for next day delivery of mail from the UK and retaining the three day target since its performance in this specific area is not something that it can fully control. However Jersey Post is still required to monitor and report its performance figures for next day delivery without a formal service target. Jersey Post reported its quality of service for 2014 on 31 March 2015. Guernsey Post's quality of service reporting for 2014 is outstanding and if it is not shortly forthcoming we propose to close down this work area given the transition of monitoring of performance by Guernsey Post.

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<tr><td></td><td></td><td>2016 Work Programme
We will operate new monitoring of quality of service performance and targets for Jersey postal operators, to ensure that customers’ needs are effectively met.</td></tr>
<tr><td colspan="3">Support the ongoing work by the Economic Development Department and more broadly, the States of Jersey towards the incorporation of Jersey’s ports.</td></tr>
<tr><td>Timescales</td><td>Progress</td><td>Narrative</td></tr>
<tr><td>• Ongoing</td><td></td><td>Ports of Jersey Limited (PoJ) was incorporated on 1 October 2015 and we subsequently issued a licence on 1 November 2015. A price control request was received and reviewed over 2015 with a decision we issued in December 2015.

2016 Work Programme
We will review current service standards in port operations to ensure they are fit for purpose informed by a process led by PoJ that is driven by its customer engagement process.

We will carry out an assessment of the extent of significant market power in the provision of port operations, prior to commencing the introduction of a price control.

We will ensure charges made by PoJ for port operations are consistent with principles of economic efficiency and cost causality, taking account of policy direction and public service obligations.

Where requests are received for changes to prices these will be reviewed according to standard price control review procedure.</td></tr>
<tr><td colspan="3">Investigate practices by operators that may contravene their licences and/or the Postal Laws or competition laws, and take appropriate remedial action</td></tr>
<tr><td>Timescales</td><td>Progress</td><td>Narrative</td></tr>
<tr><td>• Ongoing</td><td></td><td>We have concluded an investigation in Jersey based on a substantive complaint received. A complaint in Guernsey in a key market was also under consideration over 2015.</td></tr>
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		2016 Work Programme We will continue to investigate practices by licensees that may contravene their licences and/or the postal or competition laws, and take appropriate remedial action using the powers available to us.
Identify cause and effect in markets that appear not to be working well with adverse consequences for consumers, by carrying out targeted market reviews that consider how such causes may be best addressed		
Timescales	**Progress**	**Narrative**
• *Ongoing*		Our review of the fuel market in Jersey was published on 20 November 2015. We are currently undertaking a significant investigation under competition law. During 2015 we received several formal complaints which have been considered and processed in accordance with our guidelines and legal procedure, some of which are ongoing at the year end. **2016 Work Programme** We will investigate, and where appropriate remedy, contraventions of the competition law consistent with our prioritisation principles set out in our strategic aims so that consumers' interests are protected. We will consider candidates for market reviews requested by the relevant governments. We will conduct a review of the market for freight services in the Channel Islands. We will review the effectiveness of the conditions we imposed in approving the acquisition by La Collette Terminal Limited of the share held by Shell UK Ltd as recommended in our 2015 fuel market study.
Protect consumer using CICRA's powers of competition law enforcement, updating and revising the competition law framework as necessary		
Timescales	**Progress**	**Narrative**
• *Ongoing*		We have concluded a consultation on block exemptions and have made formal recommendations to government ministers in both Guernsey and Jersey. This will seek to provide for block exemptions in specified areas to reduce regulatory burden and uncertainty for businesses where we consider this is warranted based on our consultation

		feedback and experience in implementing the competition law to date. Work on updating and revising the competition law in Jersey is ongoing and is being considered in conjunction with the recommendations set out in the Oxera review. In November we issued a consultation as part of our review of certain aspects of the merger regime across the Channel Islands. The consultation followed engagement with stakeholders in the first half of 2015. The closing date for that consultation was 15 January 2016. **2016 Work Programme** We will support the introduction of block exemptions by the relevant departments that will have the effect of removing the need for exemption applications in specific circumstances. Where improvements to the merger regimes are appropriate we will implement those where we have discretion to make such changes. Where there is a more formal process required, such as a change in law, we will advise the relevant departments in order to achieve modifications needed.
Raise the quality of understanding of competition law and the implications of policy for competition through information campaigns within States departments		
Timescales	**Progress**	**Narrative**
• Ongoing		Informal advice and guidance is a key part of our advocacy work. A significant amount of resource was spent during 2015 on advocacy and information initiatives to pre-empt contraventions that might otherwise involve more costly and formal legal intervention. Several speaking engagements have been undertaken at business forums as well as with presentations and bilateral discussions as appropriate on matters of a specific or general nature depending on stakeholder needs. **2016 Work Programme** We will continue to engage in raising the level of understanding of competition law and the implications of policy decision for competition through information campaigns, with a greater focus on key States departments where procurement and policy decisions have potentially significant influence on market outcomes in terms of degree of competition and consumer choice.