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Giving a voice
to **Consumers**

Cost of living crisis laid bare by pensioner's email

For many months we have been vocal about those Islanders who do not qualify for financial aid but who continue to struggle as prices rise across almost every walk of life.

From the regular discussions we have been having with retailers, Islanders can unfortunately expect even more rises this autumn as the full impact of Brexit, the pandemic and the invasion of Ukraine are felt on depleting stockpiles and supply chains.

While at the time of writing details of the new Government's plans via their mini-budget to help Islanders through these extremely expensive times await a States debate, we thought we would share with you the content of one of the many emails we receive at the Consumer Council from Islanders who are really finding these times increasingly difficult.

This needs very little introduction and speaks for itself. We are publishing it with the permission of the author who has, understandably, asked to remain anonymous.

My rent has gone up to £1,350 per month and CLS fair rents assessed for housing benefit paid-in income support is £212.45 a week. Where can you rent a place for this in the present market? Our pensions are pitiful! I am a pensioner and what is the government doing about it? I have a meal every other day and do you consider it healthy eating for a pensioner? They gave us £5 week increase and I went for a walk this afternoon and treated myself to an ice cream and a cup of tea - that's the £5 gone! How is £5 helping us? Are we supposed to spend the rest of our days sitting at home until we go out in a box?

I worked all my life, was a single mother of two boys and received no maintenance from my ex-husband. I never claimed benefits in my working life. Now I get a pitiful pension and the government can't do anything about it. This week's shopping basket will see me having egg on toast or beans on toast for the rest of the week! All because I had an ice cream and a cup of tea out.

Any advice how to survive on a pension of £1,035 a month would be most welcome.

This is just one case study, and there are many, many more. But it really brings home how incredibly difficult some Islanders are



finding life at the moment and the need for quick action rather than lengthy reviews and studies.

As you may recall, we wrote to the previous government back in April asking for them to consider a number of short-term emergency measures to help Islanders through these times. Unfortunately, they chose to ignore those cries for help, and instead increased the weekly allowance to those already receiving benefits by £20 a month. That increase was almost wiped out overnight as the next day the JEC announced its prices were increasing.

In our letter, we asked the then chief minister to consider, among other things:

- Reducing the level of duty Islanders had to pay at the petrol pump, reminding them that this would not only benefit car owners, but impact almost every consumable
- Make an emergency £100 contribution available for every household to claim and put towards a heating or energy bill of their choice
- To consider making parking in some shopping car parks free on Saturdays, as well as return bus journeys in and out of town on Saturdays, to ensure that all consumers had access to as much choice as possible and that those living out of town

were not penalised by having to use their nearest options

- And to set up a panel of consumer-focused individuals who could jointly come up with other, cost-effective ideas to help combat rising prices

We also pointed out that the more prices rise, the more the government makes in GST, and that it has reached the point where it should be using some of the extra income to help those who are struggling.

Looking ahead towards the end of the year, the Council intends keeping an even closer eye on some of the pricing on our supermarket shelves, as we have been made aware of some items which have significant and, it seems, very random uplifts from the UK sale price. It is also hoped that our pricecomparison.je website and app will be further enhanced so that it includes comparative UK prices, allowing consumers and other agencies to drill down into why there is such a difference between the prices on our shelves when compared to those in the UK.

In the meantime, if you spot any sudden price increase or an item you think is sold for considerably more than it is in the UK, then please contact the consumer council and, if possible, get a photo. The best way to reach us is via contact@consumercouncil.je

Happy 100th to our newsletter!

Believe it or not, this newsletter marks our 100th edition of sharing informative and campaigning content with consumers.

Unlike other publications, we make sure that one copy goes through every single domestic letterbox in the Island, something which helps us persuade those organisations and businesses who are slow to act on consumer issues to take extra notice and resolve matters quickly.



Driving too slow?

Well done to some of you who spotted some incorrect information we inadvertently gave in our last edition when talking about some fuel-saving tips. Rather than 'driving more slowly' to save some pennies, we should have, of course, advised you to 'accelerate more slowly' to burn less fuel. But please don't use this as an excuse to speed up!



THE CONSUMERS' CHAMPION

We investigate and publicise anomalies in consumer affairs and aim to provide Islanders with accurate and timely information to help make

#InformedDecisions

We completely understand that not everyone will want to read what we write, or that perhaps a newsletter may be seen as a bit old-fashioned in this age of digital technology, but giving you all the option to access our information and guidance through a medium which you can pick up and pop down, read at your leisure, cut out and keep or simply recycle when finished with, makes it all worthwhile.

Roll on the next 100...



Competition works for everyone

By **Tim Ringsdore**, Chief Executive Officer, Jersey Competition Regulatory Authority (JCRA)

The JCRA is the Island's competition and economic regulatory body. We play a crucial role in ensuring that markets are competitive and that consumer interests are protected. In addition to our work in competition, we also regulate port operations, postal services, and telecoms sectors. We aim to ensure that Islanders get a fair deal when buying goods and services, and that businesses operate within the law.

While an independent body, we seek to ensure our work, where appropriate, supports Government objectives, and where relevant, established policies, and we work collaboratively with Government and other stakeholders to help meet them.

In our work, we proactively identify and review markets from a competition perspective and have been working hard to help ensure that Islanders are getting a fair deal, and that regulation is working effectively.

FOCUS FOR 2022/23

- To protect and encourage competition between businesses
- To deliver effective supervision of regulated sectors
- To safeguard consumers
- Build our knowledge and capability to meet future requirements and challenges
- To undertake valuable market studies.

JCRA

One of the key areas of work for us is market studies. These help us understand how well competition is working in a market, and whether competition could be improved.

WHAT IS A MARKET STUDY?

Market studies are a valuable means of building a view of how a market is performing - it is commonplace in other jurisdictions for competition regulators to take a closer look at sectors of the economy that have a significant impact on the wellbeing of consumers and citizens generally. They are a flexible tool to explore whether a market is working well and help us to determine whether action that will encourage changes to consumer behaviour, business behaviour, or both, will help address any market problems found. Market studies can be initiated at the request of Government/the States Assembly or be self-initiated.

The outcomes of a market study may be one or more of the following:

- A clean bill of health for the market
- Consumer/business focused action
- Recommendations to Government/ourselves
- Investigation and enforcement action.

The results of a market study can help inform policy and strategy - in some cases, we can also take action to intervene to address certain matters and/or improve the conditions of competition.

What is the process for a market study?



JCRA

Market studies for the consumer

We have completed a series of market studies as part of our work programme. Our focus is on markets with the potential for significant beneficial impacts for Jersey consumers. Going forwards we will continue to undertake valuable market studies that will protect and encourage competition, benefiting consumers, and helping control inflation.



Further details on our work as well as completed and current market studies can be found on the website www.jcra.je



Scan here for jcra.je



Telecoms Retail Pricing

WHAT DID THE STUDY LOOK AT?

We analysed retail prices for broadband, fixed line, and mobile phone services in Jersey, to help provide a better understanding of how prices on Island compare internationally with other similar jurisdictions, including Guernsey and the Isle of Man, alongside the UK. The study was carried out as telecoms are an essential part of modern life, and the prices people pay for their services, and the value they get from them, indicate if a market is working well.

WHAT DID WE FIND?

- Consumers benefit from a competitive market in Jersey
- The price people pay for telecoms services in Jersey is below average when compared to other similar-sized jurisdictions
- Jersey is more expensive than the UK for mobile voice and data services and selected 'bundled' packages but generally less expensive for high-speed fixed broadband, but it could be due to the higher cost of delivering goods and services in Jersey.

The results show Jersey is headed in the right direction, but there is still more work to be done to ensure consumers are getting the best value possible from Island operators.

WHAT WILL HAPPEN NEXT?

We will continue to track prices on an ongoing basis and will be carrying out future work to help consumers get the best value from telecoms services. This includes a greater focus on consumer protection, for example, around contractual terms and compensation.

Alcohol Pricing and Promotions

WHAT DID THE STUDY LOOK AT?

We were asked by the Attorney General to look at the impact of the Attorney General's Guidance (Licensing (Jersey) Law 1974) on drinks pricing and promotions (Guidance). While we recognise the health/social impact of the alcohol market, our focus was on the economic impact of the Guidance on the market.

WHAT DID WE FIND?

- The restrictions imposed by the Guidance create distortions in the on-licence market, limiting the ability to compete and mean that the benefits of competition and innovation cannot be passed on to consumers. In light of this, we recommended key areas of the Guidance should be removed/eased
- It was too early to assess the impact of minimum unit pricing on the off-licence market. Instead, after a sufficient length of time post-COVID has passed, a holistic review should take place, covering the economic, health and social impacts of the policy.

WHAT WILL HAPPEN NEXT?

We will continue to focus on encouraging our recommendations to be adopted which we believe will stimulate competition and provide the industry with the opportunity to offer better value and service to its customers. If lower prices are achieved this will help to control inflation.



Freight Logistics

WHAT DID THE STUDY LOOK AT?

We examined the freight logistics market and, where necessary, made recommendations for improvement. The study focused on two areas: to understand the current structure of the market, and to draw lessons from comparable international markets.

WHAT DID WE FIND?

- Competition is being constrained because of a lack of warehousing and transit storage for distribution activities in the Port of St Helier
- There is a potential risk to resilience in the market because Jersey is largely dependent on a UK-based supply chain, and there is opportunity for greater trade with France
- There are opportunities through developments in IT and technology to better understand how well services are performing, improve efficiency and enhance customer service.
- We concluded that there is room for improvement toward better competition and more resilience in what is a lifeline service for the Island.

WHAT WILL HAPPEN NEXT?

We made a series of recommendations to Ports of Jersey, Government, and industry. Through our work on regulating Ports, we will help implement the recommendations and closely follow their progress by wider stakeholders.



Know your rights if your summer travel was disrupted

Many of you will have no doubt suffered some kind of delay, cancellation or even lost luggage during the summer holidays or even earlier this year. And until the airline industry fully recovers, it is likely more disruption will be felt as we head towards Christmas.

Yes, it is not always the fault of the airline, or the airport you are using, but do you know that you have rights which both protect you and your journey and, in some instances, entitle you to compensation?

Here is the advice published recently by the Civil Aviation Authority, which although covers the UK - of which Jersey is not part of - covers most of the airlines which operate in and out of the Island and who treat Jersey as a domestic destination.

As a consumer you have important legal rights when the flight you are booked on is delayed, cancelled or when you are denied boarding.

According to the Civil Aviation Authority, you have important legal rights on many flights to, from or within the UK. To be covered, your flight must be either:

- Departing from an airport in the UK on any airline, or
- Arriving at an airport in the UK on an EU or UK airline; or
- Arriving at an airport in the EU on a UK airline.

WHILE YOU WAIT FOR YOUR FLIGHT

Under UK law, airlines must provide you with care and assistance if your flight is significantly delayed. The law splits the set timeframes into three categories:

This means they must provide:

- A reasonable amount of food and drink (often provided in the form of vouchers)
- A means for you to communicate (often by refunding the cost of your calls)
- Accommodation, if you are re-routed the next day (usually in a nearby hotel)
- Transport to and from the accommodation (or your home, if you are able to return there)

The airline must provide you with these items until it is able to fly you to your destination, no matter how long the delay lasts or what has caused it.

| Length of flight | Waiting time |
|---|-----------------------|
| Short-haul flight of under 1,500km (e.g. Glasgow to Amsterdam) | More than two hours |
| Medium-haul flight of 1,500km – 3,500km (e.g. East Midlands to Marrakesh) | More than three hours |
| Long-haul flight of over 3,500km (e.g. London to New York) | More than four hours |

HOW IT WORKS IN PRACTICE

If your flight is delayed, many airlines will provide vouchers for you to buy food and drink. If you require accommodation, they may book a hotel and arrange transportation for you.

Sometimes airlines are unable to arrange care and assistance for all passengers. This can happen when staff are stretched during major disruptions.

If this happens, in our view you have the right to organise reasonable care and assistance yourself, then claim the cost back later. If you end up paying for things yourself, keep every receipt and do not spend more than is reasonable. Airlines are unlikely to refund you for things like luxury hotels or alcohol. Some will provide guidance on reasonable costs.

We would expect the airline concerned to respond to a claim for reimbursement in a reasonable time and at the very least provide you with an indication of how long you should expect to wait for a response. If you are unhappy with the length of time it is taking or disagree with the airline's decision regarding your claim, there are links on the Civil Aviation website on how to make a complaint. There are many companies offering to make the complaint for you and claim you compensation and the reimbursement of expenses. But beware when using these, as they take a significant amount of the money you receive as a commission for doing the work.

COMPENSATION

Under UK law, airlines may have to provide compensation if your flight arrives at its destination more than three hours late.

This depends on what caused the delay – if it wasn't the airline's fault, don't expect to receive any compensation.

Disruptions caused by things like extreme weather, airport or air traffic control employee strikes or other 'extraordinary circumstances' are not eligible for compensation.

The length of your flight determines the amount that you may be entitled to, so it's a good idea to check which category your flight falls into:

| Length of flight | Compensation |
|---|--|
| Short-haul flight of under 1,500km (e.g. Glasgow to Amsterdam) | £220 |
| Medium-haul flight of 1,500km – 3,500km (e.g. East Midlands to Marrakesh) | £350 |
| Long-haul flight of over 3,500km (e.g. London to New York) | £520 |
| Long-haul flight of over 3,500km (e.g. London to New York) | £260 (in case you arrived at your destination with a delay of under 4 hours) |

You can view a list of the flights that the CAA has investigated in the past for entitlement for compensation on their website caa.co.uk

REARRANGING YOUR FLIGHT

If your flight has been delayed or cancelled, the airline should inform you when you will be able to fly to your destination. You can also ask staff at the airport, check the airline's website (often the quickest way) or call them.

DECIDE WHETHER YOU STILL WANT TO FLY

If you have been delayed for more than five hours and no longer wish to travel then you are entitled to a refund.

If you are a transfer passenger and missed your connection flight because your first flight was delayed, you are also entitled to a flight back to your original departure point.

Once you decide to take a refund or to travel later than the first available flight, your airline has no obligation to provide you with food, drink or accommodation. If you are on a package holiday and you decide not to travel on your outbound flight, you may lose your holiday too, so the recommendation is to contact your package organiser or the airline for further information.



GETTING TO YOUR DESTINATION

If you still want to travel then your airline must get you to your destination. You might have to be patient while they rearrange transport and rebook passengers, but the law says they must get you there. Your airline must take care of you by providing food, drink, access to communications and accommodation (if you are delayed overnight) while you wait for your rearranged transport.

Sometimes airlines may advise you to make alternative travel arrangements, then claim back the cost later. If you do this, try to keep costs down as much as you can, keep receipts and record the name of the person giving this advice. Book with the same airline if at all possible.

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FRUIT VEGET

WHEN WAS THE LAST TIME YOU SHOPPED AROUND?

Do you know which supermarket in Jersey is the cheapest for your shopping?

You can find out by checking **pricecomparison.je** or by downloading our price comparison app. You will also find heating oil and the latest fuel forecourt prices too.

