

the voice of army families

Briefing 17 February 2014

Mobile phones overseas

Service families face disadvantage through their inability to cancel their mobile phone contracts when posted overseas. The MOD no longer includes phone calls in the Local Overseas Allowance - families who continue to pay for their contract are not compensated.

Michelle Alston 07901 969627 researcher@aff.org.uk



Quick poll results

A recent quick poll found that 87% of respondents experienced difficulty in being released from a mobile phone contract when being posted overseas.

- Only 5% were offered the option of moving to a pay-as-you-go contract
- 47 respondents were still paying their monthly contract fee
- 25 respondents were made to pay the remainder of their contract costs or pay a compensation lump sum in order to cancel it
- In one case, a Serviceperson was able to cancel or reduce their contract due to being posted overseas but their spouse was not
- One respondent also commented that this had affected their credit rating

Corporate Covenant

AFF applauds those providers who already make concessions for soldiers posted overseas and ask that these concessions are extended to Service families.

AFF urges that all mobile phone providers are encouraged to sign up to the Corporate Covenant and that they recognise this disadvantage and outline measures to address this in their Corporate Covenant commitments.

AFF also believes that the Armed Forces Covenant Reference Group (CRG) should work to address this issue. AFF believes that the CRG should include a commitment under the Covenant theme of 'Commercial products and services' stating that communications companies should remove any disadvantage to Service families when posted overseas.

AFF recommends that the CRG engage with OFCOM to determine how they will recognise the Armed Forces Covenant and any specific commitments on mobile phone provision.

Removal of disadvantage

AFF suggests that mobile phone providers consider two potential ways of addressing this disadvantage. Firstly, on the production of an overseas posting order, they will cancel the phone contract with no incurred financial penalties; the phone will be left unlocked to enable the individual to use it with a different SIM card.

Alternatively, on the production of an overseas posting order, the phone contract is frozen until the individual is posted back to the UK (on production of their next UK posting order). No financial penalties should be incurred and the phone should be unlocked to enable the individual to continue to use it.

If part of the contract payment included the repayment of the handset, families should be given the option to repay the balance for the handset but then be permitted to keep the phone, even if they have cancelled or suspended their contract.

'Was appalled at the way we were treated; were told as long as we could prove that we were posted abroad with a letter (which was sent to them) they would freeze our contract, only to then be told we had to buy out of it once arriving in Cyprus! Has resulted in a default on my husband's credit score and is now preventing us from being able to get a mortgage!'



'I feel that we pay a lot more in monthly costs than if we were in the UK. I often wonder how they can charge one price in England and higher over here? I do think that we should be able to close contracts after at least six months or they should allow Forces families to have a rolling monthly contract that can be cancelled as long as there is a month's notice and that month is paid.

Because of the difficulty in cancellation, a lot more families and single solders are now choosing to use pay-as-you-go phones.'

'If there could be something done to enable Forces families to cancel their contracts when being posted, it would make life so much easier. Maybe to backdate the cancellation to the original date of posting, and refund anybody forced to pay for a service they couldn't use'

'I believe that all the mobile phone companies should be more flexible when dealing with Armed Forces families; even being given the option to switch to pay-as-you-go would be a tremendous benefit and would ensure customer loyalty.'

AFF VIEW:

AFF believes that Service families are being disadvantaged by mobile phone service providers when posted overseas. Whilst some providers may be flexible when it comes to Service personnel deploying on operations, this does not extend to overseas postings. AFF urges the Armed Forces CRG to remove this disadvantage by encouraging mobile phone providers to sign up to the Corporate Covenant and address this issue within the Covenant commitments. AFF suggests that Service families posted overseas be allowed to cancel or suspend their mobile phone contracts for the duration of the posting or be offered a move to a pay-as-you-go contract if preferred.