



2014 Quality of Service Report
Submitted to the Jersey Competition
Regulatory Authority
23 February 2015

Introduction

In March 2013 the JCRA published an Initial Notice of a Direction to Jersey Post Limited regarding quality of service (CICRA 13/12).

This report from Jersey Post provides the information required under the Direction for the year ending 31 December 2014.

Our Quality of Service (QoS) is measured independently by Research International who check the days taken to receive sample items of mail.

2014 QoS Local, Guernsey, UK and Isle of Man

	Posted JE		Posted UK / IOM		Posted JE		Posted GY		Posted JE	
	Delivered JE		Delivered JE		Delivered UK / IOM		Delivered JE		Delivered GY	
	J+1	J+3	J+1	J+3	J+1	J+3	J+1	J+3	J+1	J+3
Total	97.5%	99.9%	69.0%*	99.1%	85.3%	99.4%	82.7%*	99.1%	85.4%	99.4%
Target	96%	99%	82%	97%	82%	97%	82%	97%	82%	97%

* These items are affected by flight delays and short loads¹ of which there were 57 in 2014. Already in January 2015 alone there have been 10.

We are pleased to report improved performance on all routes compared to 2013 with the exception of items posted in the UK/IoM and delivered in Jersey and to/from Guernsey:

- Posted UK/IoM, delivered Jersey**
 This result of 69% delivered next day is very disappointing and worse than the 73.2% we achieved last year. The reason for the deterioration is due to flight delays/cancellations due to bad weather, technical failures or bulk outs (which were 29 in 2013 but 57 in 2014). Until the mail arrives in Jersey, the items are outside our control and are handled by Royal Mail. Despite the poor performance of Next Day Delivery the tail of the mail performs strongly.

The results for mail posted in the UK/IoM and delivered in Jersey should be viewed in line with the following facts which affect performance for this stream:

- Royal Mail does not have a target for mail to the Channel Islands and therefore no regulatory incentive to improve this service
- The sample sizes are very small - we only have 19 panellists in Jersey; 81% of UK destinations post on average less than one sample item per week to Jersey. (Although the sample size is on target at 0.03% of letters/large letters.)
- Addressing standards of the panellists' mail have been identified as a potential issue which is causing some delays.

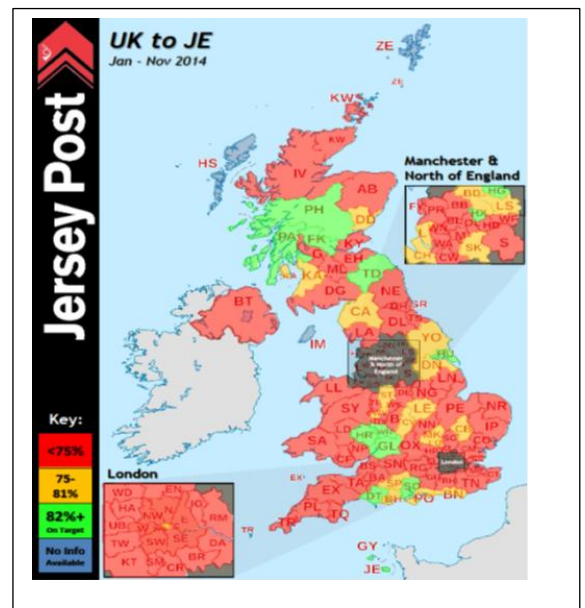
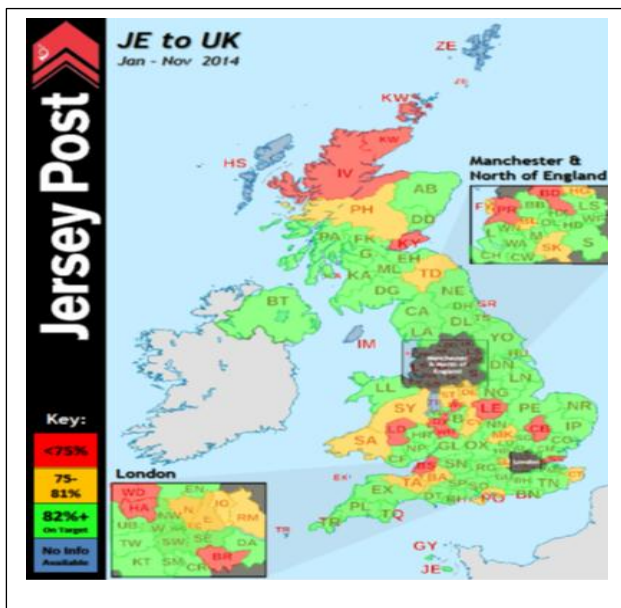
¹ Short loads are where Royal Mail have sent more mail than the aircraft has capacity for.

- We have examples of DSA bags containing stamped mail.
- Royal Mail have identified mail centres in the UK that have mixed Guernsey and Jersey mail in the same bag. In 2014 we had 2,098 bags of mis-routed mail returned to us from Guernsey Post.
- **Posted/Delivered GE/JE**
In 2013 we reported that mail items posted from and delivered in Guernsey were still slightly behind the JCRA target and we have successfully managed to just exceed the target, working with our colleagues in Guernsey Post.

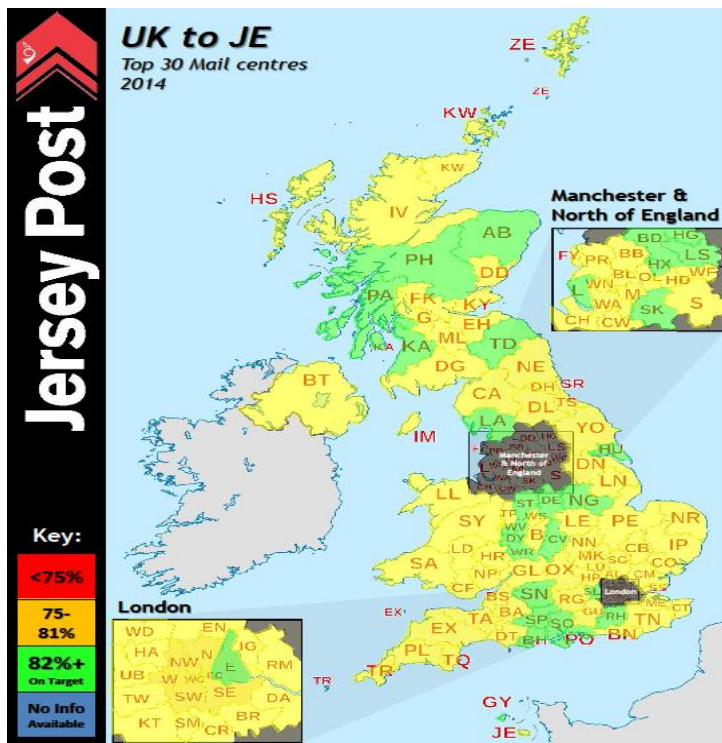
Our commitment to delivering on time is shown by the 97.5% performance for mail posted and delivered locally which are the only items completely within our own control. We are also pleased that all J+3 targets have been met which demonstrates our commitment to “the tail of the mail” over which we have more control.

The J+1 results shown in the above table will be included in our 2014 Annual Report which will be published in June 2015 following the audit of our 2014 financial statements.

Performance by region

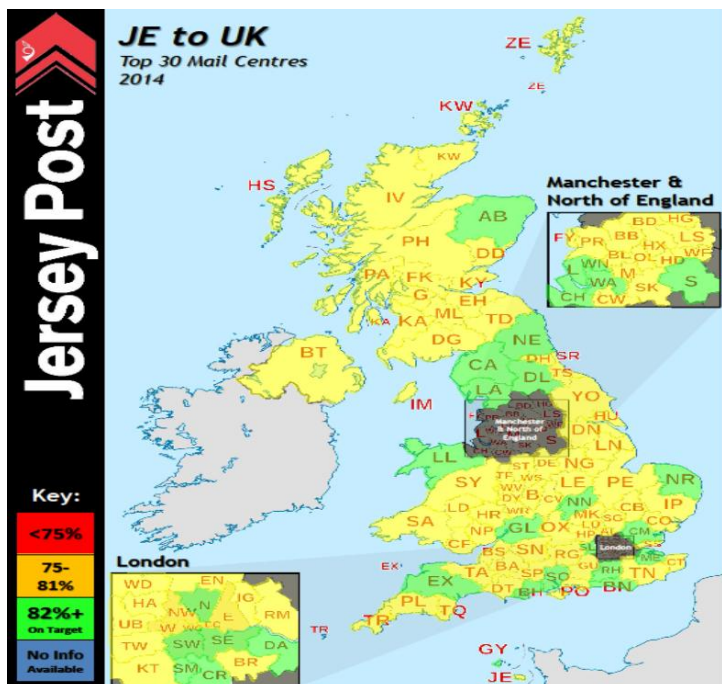


Top 30 mail centres - highlighted green on the maps



Rank	Despatching Office	Route: BOH via	Post Code area
1	Sheffield	EMA	HU
2	Edinburgh	Edinburgh / EMA	PH
3	Guernsey	GY	GY
4	South Mids	NDC	CV
5	Leeds	EMA	HG
6	Portsmouth	BOH	PO
7	Swindon	SWDC	SN
8	Wolverhampton	NDC	WV
9	Birmingham	NDC	WR
10	Nottingham	NDC	DE
11	Wolverhampton	NDC	DY
12	Bournemouth	BOH	BH
13	Warrington	EMA	L
14	Southampton	BOH	SO
15	Leeds	EMA	HX
16	Aberdeen	Aberdeen / EMA	AB
17	Romford	PRDC	E
18	Preston	EMA	LA
19	Wolverhampton	NDC	ST
20	Leeds	EMA	LS
21	Edinburgh	Edinburgh / EMA	TD
22	Glasgow	Edinburgh / EMA	PA
23	Southampton	BOH	SP
24	Leeds	EMA	BD
25	Glasgow	Edinburgh / EMA	KA
26	Greenford	PRDC	SL
27	Nottingham	NDC	NG
28	Gatwick	PRDC	RH
29	Manchester	EMA	SK
30	Gatwick	PRDC	BN

Unexpectedly Scotland and the North/Midlands are performing better than the South.

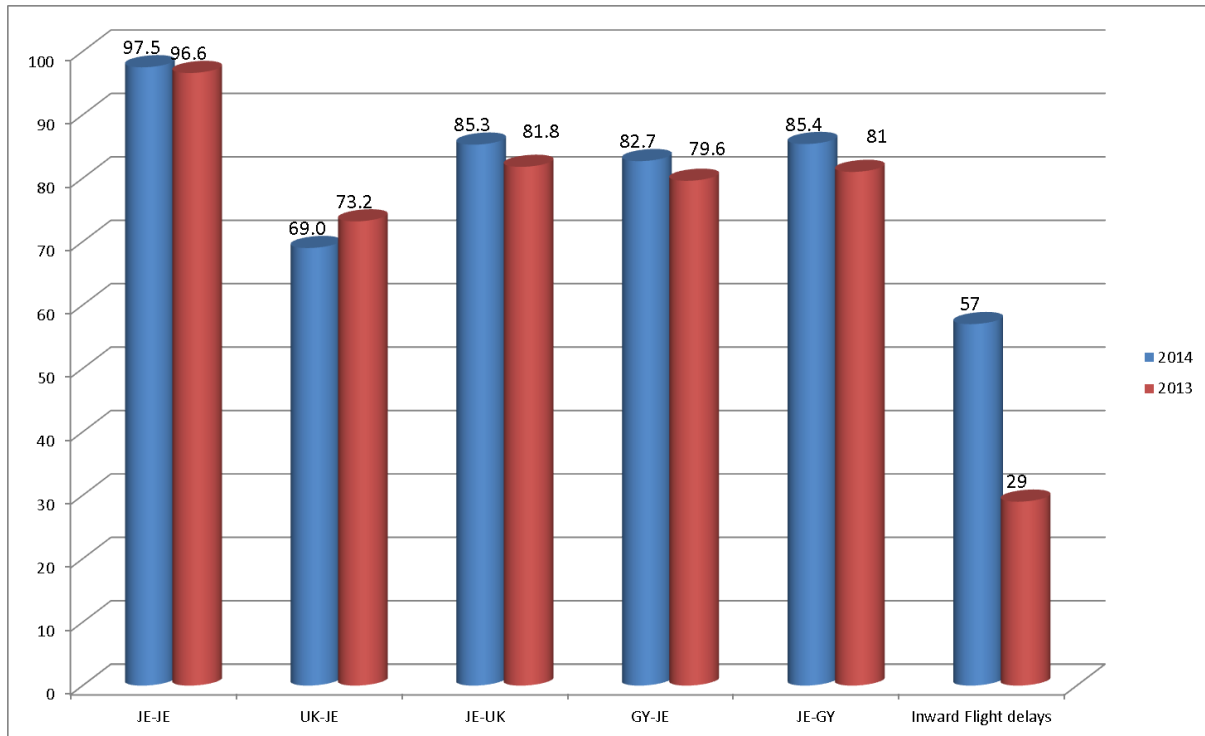


Rank	Destination Office	Route: BOH via	Post Cc area
1	Exeter	SWDC	EX
2	Warrington	EMA	WN
3	Newcastle	Newcastle / EMA	DL
4	Bristol	SWDC	GL
5	London Central	PRDC	N
6	Croydon	PRDC	CR
7	Croydon	PRDC	SE
8	Gatwick	PRDC	RH
9	Warrington	EMA	L
10	Southampton	BOH	SO
11	Aberdeen	Aberdeen / EMA	AB
12	Chester	EMA	CH
13	Greenford	PRDC	SL
14	Croydon	PRDC	SM
15	Warrington	EMA	WA
16	Guernsey	GY	GY
17	Gatwick	PRDC	BN
18	Preston	EMA	LA
19	Bournemouth	BOH	BH
20	Carlisle	EMA	CA
21	Newcastle	Newcastle / EMA	NE
22	Medway	PRDC	DA
23	South Mids	NDC	NN
24	Sheffield	EMA	S
25	Norwich	PRDC	NR
26	Chelmsford	PRDC	CM
27	Jubilee	PRDC	SW1-
28	London Central	PRDC	SW9!
29	Chester	EMA	LL
30	Medway	PRDC	ME

This is a more balanced picture geographically. However, a strong band of high performers across the North of England suggests that parts of the Royal Mail pipeline are performing more consistently than others.

QoS 2014 compared to 2013

%



2014 QoS Special Delivery, UK 2nd class and Mailsort

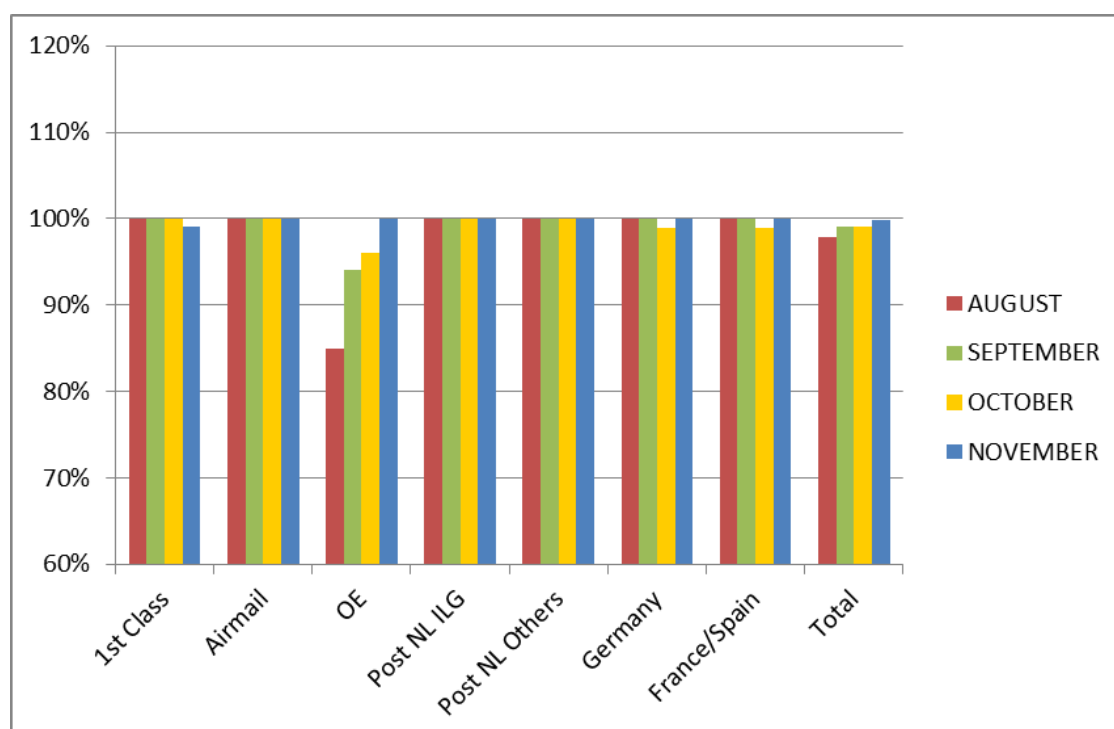
	SDI Inward	SDI Inward	SDI Outward*	SDI Outward*	2C/ Mailsort	
	GY-JE	UK-JE	JE-UK	JE-GY	Delivered JE	
	D+0	D+0	D+0	D+0	D+1	D+3
Total	99.0%	99.0%	99.0%	99.0%	81.8%	99.0%
Target	98%	98%	98%	98%	98%	99%
			* despatched only			

In 2014 the processes for recording 2nd class / Mailsort and SDI QoS were reviewed and additional control measures put in place. This primarily involved more flexible resourcing and improved communication within the morning processing team. The impact on performance has been positive. Whilst the D+1 for 2nd class/Mailsort is well below target it is a significant improvement on the 63% achieved in 2013.

Items detained by HMRC

In 2014 there were 8,359 SDI items sent to HMRC for checks out of a total of 74,937 SDI items despatched to the UK (11%). We do not have any information on the length of time the items were detained. These items would be packets for which VAT had not already been prepaid at the counter in Jersey.

QoS bulk mail (Logistics)



OE = Office of Exchange

- Quality monitoring was introduced in August 2014 when the Operations Director assumed responsibility for Logistics.
- The measures show the % of items which are cleared on the day they are received from the customer and the target is 98%.
- The team also track that the items are received at Global Reach, our partner at Heathrow, who then convey the items to their overseas destinations. This provides a daily control that all items despatched from Jersey have arrived at Global Reach.
- The graph shows that generally results are very good and that the poor performance on Office of Exchange items has improved from 85% to 100% over the four month period.

Customer Service and complaints

Our Customer Service Department is the main contact point for all customers wishing to obtain information about our products and services and also for queries and complaints.

We are proud of our high quality standards and whilst every effort is made to safeguard our customer's mail, occasionally items may be lost or damaged.

All enquiries and complaints are treated as time critical and the overriding principle is to resolve them as quickly as possible. The CEO, Director of Operations, Quality Assurance Manager, Customer Service Manager, Postal Operations Manager and a representative from the CWU, meet on a bi-weekly basis and discuss the individual cases and their content. This review mechanism is not only proving invaluable in helping the organisation better understand the effect complaints about our service have on the customer; it also demonstrates that every complaint is important to us and is used as a basis for our continued success and development; this is also reflected in a reduction in complaints for 2014. All feedback whether good or bad, is communicated to the staff on an individual basis and also, we have created feedback boards for our customer's comments to be displayed, helping our staff understand that even a small error can have a big impact.

The timeframe for acknowledging customer complaints is two working days and the resolution time is 10 working days.

Customer delivery complaints 2014

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Items Delivered in Period '000 ²	2007	1748	1864	1754	1756	1643	1779	1577	1718	1854	1799	2305	21,804
Delivery complaints per 50k Items delivered in period	2.04	1.51	1.31	2.13	1.53	2.64	1.54	1.68	1.92	0.99	1.61	1.88	1.73

The figure of 1.73 compares to 4.49 in 2013

Customer Survey

At the end of January 2014 we sent out our third all-island customer survey. The table below shows the results and how these have improved over the last two years.

	Good or Very good		
	2013/14	2012/13	2011/12
How do you rate your postman?	92%	86%	90%
How do you rate the overall delivery service?	80%	71%	69%
How do you rate the retail network?	81%	71%	80%

Once again the survey attracted a large response from the public of the Island, with 96% or higher of respondents answering the above questions as satisfactory or better. We included these results in our 2013 report but our 2014 survey has not yet been sent out.

² Delivered items include all inbound and local mail but exclude our Direct to Home product.

We will report the results of this in our 2014 annual report which will be published in June 2015.