



CICRA media release

22 November 2012

CICRA proposes quality benchmarks for postal services in the Channel Islands

CICRA (the Channel Islands Competition and Regulatory Authorities) has issued a draft decision on how the quality of postal services in the Channel Islands should be assessed.

The draft decision proposes a joint approach to regulating postal services in the Channel Islands, by which Jersey Post (JP) and Guernsey Post (GPL) are measured against the same benchmarks of excellence.

CICRA expects that the joint approach to postal regulation will encourage the two dominant operators to achieve the best quality of service for their customers.

The draft decision follows the consultation CICRA issued in June 2012 to obtain views on how it should measure the quality of service provided by JP and GPL.

CICRA recognises that most customers have no choice but to use the services of GPL or JP. Without quality of service regulation, monopoly postal operators could reduce their service and their costs to maximise profits in the same way as they have incentives to increase prices when unchecked.

CICRA chief executive, Andrew Riseley, said: "Jersey Post and Guernsey Post will measure the end-to-end quality of their services within the Channel Islands and to and from the UK. End-to-end measures are what matters to customers but postal operators in the Channel Islands rely on services by Royal Mail in the UK. We are therefore insisting that our postal operators measure how effective they are in their internal operations.

“We also want them to monitor how well customers are served when they buy expensive products such as ‘Special Delivery’ that depend on Royal Mail tracking services. If our postal operators act as agents of Royal Mail, they must have means of knowing whether the services they sell really provide customers with value for money.”

CICRA believes that customers need an external, trustworthy and independent source of information to be able to assess the services they purchase and it is in the interests of JP and GPL that their customers are made aware of the true value of what they purchase when they use Channel Islands postal services.

“We are aware that, in the Channel Islands, service quality can depend on matters outside postal operators’ control, such as weather and technical problems with transport to and from the islands. However, we believe that measurements of service quality should be taken on all days, come what may, as postal operators should take steps to mitigate the impact of adverse conditions for customers. An example is the helicopter services Guernsey Post put in place when the airport was closed earlier this year,” said Mr Riseley.

CICRA has published a Draft Decision and drafts of the directions it will give GPL and JP. Interested parties are invited to submit their comments in writing to the Guernsey Competition and Regulatory Authority by 19 December 2012. Alternatively they can email info@cicra.gg.

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NOTES TO EDITORS:

Intended Targets

Under the measures set, JP and GPL would be expected to deliver 95% of all local mail within one working day.

For mail between Jersey and Guernsey, CICRA is proposing a next working day target of 82%, and 97% within 3 working days.

For mail to and from the UK, JP and GPL would be set a target of 82% of mail delivered the next working day, and 97% within 3 working days.

Internal quality targets require that all first class mail, including bulk mail intended for delivery within the Channel Islands, should be delivered on the day it is received with JP’s and GPL’s sorting offices if it is received early in the morning, before the operators start their sorting processes (this is normally the case for mail that lands on the Islands with the first plane).

All enquiries should be directed in writing to CICRA Chief Executive, Andrew Riseley, in Guernsey at the Guernsey Competition and Regulatory Authority (formerly the Office of Utility Regulation), Suites B1 & B2, Hirzel Court, St Peter Port,

Guernsey GY1 2NH 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@bicra.gg.

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 Regulation of Utilities (Bailiwick of Guernsey) Law, 2001, as amended by The 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 has come 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.