



Ports of Jersey Limited (POJL) Quality of Service

Consultation Paper

Document: CICRA 17 / 11

08 June 2017

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1. Introduction

Ports of Jersey Limited (“POJL”) is the company which owns and operates the airport, harbour and marinas in Jersey. POJL is the only licensed port operator for Jersey, providing commercial port operations and services to a diverse range of customers.

CICRA (the Channel Islands Competition and Regulatory Authorities) is the economic regulator with responsibility for oversight of POJL. In addition to licensing port operators; it is responsible for protecting and furthering the interests of port users. This includes ensuring port operations are provided efficiently and effectively. A CICRA priority is to ensure port users and potential port users have sufficient information to make informed decisions

In a monopoly environment such as that in which POJL provides its services there is less constraint on prices and greater risk that the levels of aspects quality of service are less responsive to customer needs, since customers and users have no other option but to use their services. The fact that customers and users could choose not to use POJLs services at all is debateable in the context of an island economy, and in any event this would not be in the interests of the Jersey economy.

This consultation focusses on the quality of service provided by POJL at the airport, harbour and marinas, specifically on how POJL measures the quality of services provided and whether the customer engagement processes are working as well as they should.

CICRA will use the responses to this consultation, together with supporting engagement to ensure that POJL is focussing its attention on those aspects of its service that matter most to customer, that customers are provided with sufficient information in order to make informed decision and to improve accountability of POJL to its customers as to the quality of service it achieves and aspires to.

2. Purpose of the Consultation

POJL largely operates in markets where there is no or only limited competition for its services¹. It is CICRA's view that, in the absence of alternatives, it is important that customers and port users, are in a position to assess and influence the performance of POJL and the quality and effectiveness of the services which they are purchasing. To achieve this there needs to be appropriate, monitoring and reporting of POJL's performance. It is also important that POJL is given appropriate incentives to improve its performance in areas that matter most to its customers.

In order to satisfy itself there was a robust quality of service monitoring and reporting framework during 2016 CICRA encouraged POJL to put in place processes that would allow it to carry out its own performance measurement and reporting where there were any opportunities to improve in this area or identifiable gaps. In CICRA's view the steps taken by POJL are not sufficiently established or transparent and it has concluded that there is a need for CICRA to engage with stakeholders, including customers and service users to identify the factors that matter most to these groups, relate these to key performance measures and identify those areas where POJL is performing well as well as where improvements might need to be prioritised.

The purpose of this consultation is to establish what value different stakeholder groups place on aspects of quality and delivery of the services provided by POJL and what appropriate performance measures, targets and reporting they would like to see in place. CICRA is in particular looking to establish and understand:

- the degree to which POJL has, to date, consulted its customers and service users about the quality of its services;
- how POJL has taken the views of customers and service users into account when determining key aspects of the services it delivers;
- the aspects of services provided by POJL that matter most to its customers and service users; and
- the most appropriate performance measures.

Customers and service users range from individual airlines and shipping companies, to boat owners and individual passengers. The services provided by POJL range from services range from air traffic and approach handling to catering and car parking.

CICRA has decided to consider the issues under two main headings of POJL's operations:

1. Jersey airport
2. Jersey harbours (including marinas)

In addition, there is a separate section addressing vulnerable customers, which is included in recognition of the specific duty imposed on CICRA under article 26 (3) of the Law, which states that *"the Minister and the JCRA shall each have duties to perform their respective functions under this Law... (e) with due regard to the special needs of persons who are disabled"*.

¹ CICRA's decision 16 / 41 on the Assessment of Market Power for Ports of Jersey determined that POJL has significant market power in the provision of port services

3. Jersey Airport

CICRA would like customers and airport users to identify the aspects of performance and quality of service that are most important to them. The aspects identified will determine the areas that POJL should monitor and report. CICRA would also like to understand how customers and airport users would like to see performance and quality of service reported, presented and published.

CICRA is also seeking to understand customers and airport users' views on how POJL engages with its stakeholders to monitor its performance. We would like to understand whether the level of engagement is considered sufficient, and the effectiveness of this engagement; in particular whether POJL is sufficiently responsive to customer's views.

Finally, CICRA would like to know what information, and in what form, customers and port users would like to see information on performance made available to them. Should POJL increase the amount of information it reports on performance or its frequency, and how should it be published.

For the airport CICRA has identified a number of different groups of customers and service users:

- Airlines
 - Airport operations services (eg, ATC²);
 - 3rd party services based at airport (ground handling, security & check in, catering etc. – which may themselves rely on PoJ);

- Service providers (eg, ground handling agents, including fixed base operators, fuel service providers, catering, retail & duty free providers)
 - Airport facilities (property lease, maintenance, IT etc) purchased direct from POJL
 - Other services from 3rd parties reliant on POJL
 - Paid by other users or by passengers

- Passengers
 - Use a range of facilities at Jersey Airport
 - Airline check in, baggage handling
 - Security
 - Car parking, retail
 - Catering, duty free
 - but do not necessarily pay directly for services

Set out below are out some questions to inform CICRA's views on the above questions around quality of service at Jersey's airport to which you are invited to respond.

If there are additional questions which should be addressed, please set these out in your response. CICRA is also in the process of developing an initial engagement process with customer groups and users to complement the formal consultation represented by this document.

² ATC = Air Traffic Control

Q1A	What are the most important services provided to you at Jersey's airport?
Q2A	What are the most important aspects of the quality and delivery of those services?
Q3A	What aspects of the quality and delivery of those services should be monitored / measured on a regular basis?
Q4A	What specific performance or quality of service measures should POJL put in place?
Q5A	In your view, how should POJL communicate its performance standards and the results of performance measurement to you? Would you, for example, prefer to receive feedback through bilateral discussions or to see information regularly published on a website? (or some combination of the two or another approach entirely?)
Q6A	Do you have experience of other suppliers or service providers where there are approaches that in your view represent good practice that could usefully be applied to the provision of services by POJL? If so, what are they and why do you consider these specific practices are useful comparators or benchmarks?
Q7A	Should there be guaranteed minimum standards of service? - If so, what should they be?
Q8A	What is the appropriate remedy in the event minimum standards are not met?

Are there any other comments which you would wish to make?

4. Jersey Harbour (including Jersey Marinas)

CICRA would like customers and harbour and marina users to identify the aspects of performance and quality of service that are important to them. The aspects identified will determine the areas that POJL should monitor and report. CICRA would also like to understand how customers and harbour and marina users would like to see performance and quality of service reported, presented and published.

CICRA would like to understand customers and airport users' views on how POJL engages with its stakeholders to monitor its performance. We would like to understand whether the level of engagement is sufficient, and the effectiveness of this engagement; in particular whether POJL is sufficiently responsive to customer's views.

Finally, CICRA would like to know what information, and in what form, customers and port users would like to see information on performance made available to them. Should POJL increase the amount of information it reports on performance or its frequency, and how should it be published.

CICRA has identified a range of different customers and port users among the stakeholders who use POJ and its services. For Jersey Harbour, freight forms a larger part of its business relative to passenger services than is the case for the airport, but there are additional users such as boat owners and harbour and marina services providers as well as passengers.

- Commercial freight and passenger services
 - Passenger facilities, LOLO & RORO³ facilities Airport operations services (eg, ATC⁴);
 - 3rd party services based at airport (ground handling, security & check in, catering etc. – which may themselves rely on PoJ);
- Marina users (local boat owners & visitors)
- Service providers (Stevedores & shipping services, fuel & chandlery, catering, retail duty free etc)
 - Harbour / marina facilities (property lease, maintenance, IT etc) purchased direct from POJ
 - Other services from 3rd parties reliant on POJ
 - Paid by other users or by passengers
- Passengers
 - Use a range of facilities at jersey harbours
 - check in & security
 - Car parking, retail
 - Catering, duty free
 - But do not necessarily pay directly for services

Set out below are out some questions to inform CICRA's thinking around quality of service at Jersey's harbour and marinas to which you are invited to respond.

If there are additional questions which should be addressed, please set these out in your response.

³ LOLO = Load on Load off (uses cranes to unload cargo); RORO = Roll on Roll off (cargo is driven onto vessel)

⁴ ATC = Air Traffic Control

Q1H	What are the most important services provided to you at Jersey's harbour and / or marinas?
Q2H	What are the most important aspects of the quality and delivery of those services?
Q3H	What aspects of the quality and delivery of those services should be monitored / measured on a regular basis?
Q4H	What specific performance or quality of service measures should POJL put in place?
Q5H	In your view, how should POJL communicate its performance standards and the results of performance measurement to you? Would you, for example, prefer to receive feedback through bilateral discussions or to see information regularly published on a website? (or some combination of the two or another approach entirely?)
Q6H	Do you have experience of other suppliers or service providers where there are approaches that in your view represent good practice that could usefully be applied to the provision of services by POJL? If so, what are they and why do you consider these specific practices are useful comparators or benchmarks?
Q7H	Should there be guaranteed minimum standards of service? - If so, what should they be?
Q8H	What is the appropriate remedy in the event minimum standards are not met?

5. Vulnerable Customers

CICRA,⁵ as the economic regulator, and the Minister both have a duty to take into account the needs of vulnerable customers⁶ who make use of services operated by POJL.

With that in mind, CICRA would like to understand whether there are any specific quality of service measures which should be put in place in relation to vulnerable customers and against which POJL should be monitored.

Q1	What are the most important aspects of service for vulnerable customers?
Q2	Which are the most important aspects of the delivery of those services?
Q3	How should POJL measure the quality of its services for vulnerable customers?
Q3b	In your view, how should POJL communicate its performance standards and the results of performance measurement?
Q4	Should there be guaranteed minimum standards of service for vulnerable customers? - If so, what should they be?
Q5	What is the appropriate remedy in the event minimum standards are not met?

⁵ Specifically, the Jersey Competition Regulatory Authority (JCRA)

⁶ Under the provision of the *Under the Air and Sea Ports Incorporation Law (Jersey) (2015)*, article 26 (e) requires the JCRA (and as the case may be, the Minister), while exercising their functions in accordance with article 26(1), to do so with due regard to the special needs of persons who are disabled.

6. How to Respond

Interested parties are invited to submit comments to CICRA in writing or by email on the matter set out in this consultation to the following addresses:

CICRA,
2nd Floor, Salisbury House
1-9 Union Street
St Helier
Jersey, JE2 3RF

Email: info@cicra.gg

Responses should be clearly marked 'POJL – Quality of Service consultation' and should arrive no later than 5pm on closing date 6 July 2017.

If a discussion will be more helpful to respondents CICRA officers are happy to meet to discuss views. If for any reason special provisions are required please contact CICRA's office in Jersey (telephone: 01534 514990; email: info@cicra.je) and arrangements will be made to ensure that your views are recorded and can be taken into consideration as part of the consultation.

In line with its consultation policy, CICRA intends to make responses to the consultation available on its website (www.cicra.je). Any material that is confidential should be put in a separate annex and clearly marked as such so that it may be kept confidential. CICRA regrets that it is not in a position to respond individually to the responses to this consultation.

7. Next Steps

CICRA will carefully consider the responses it receives to this consultation in determining its next steps. CICRA also intends to establish appropriate fora with customers and users of POJLs operations.

CICRA will prepare a report summarising the responses it receives to the consultation and its supplementary engagement, setting out what respondents have identified as the most important factors in POJL's quality of service and what types of performance measures they would like to see in place for the future. This will form the basis for discussions with POJL to set in place appropriate performance measures. It will also serve as the basis for an Initial Notice of a decision setting out performance measures POJL will be obliged to put in place to meet the requirements of its customers.