

## Quality of Service Report Q2 2017

July 2017

## **Contents**

1. Summary
2. Introduction
3. Regulatory Performance
  - a. Local to Local
  - b. Inward Mail
  - c. Inter-Island
  - d. Outward mail
4. Premium Business Products
5. Operational complaints
6. Customer Survey
7. Internal processes

## 1. Summary

In response to CICRA this is the quality of service report for quarter two (Q2), 2017. This shows that for each month and for the quarter we have met all nine quality of service targets and seen an 63% improvement in inbound next day where no target is set, and the best performance since August 2015.

In our 2016 Quality of Service Report for CICRA we reported that we met six out of nine quality of service targets. Where the service was within the control of Jersey Post we delivered above target performance at 96.4%. Where it was reliant on Royal Mail we delivered below target performance (in two of the three, only marginally below). For inbound from the UK, next day quality of service (where no target is set) was disappointing, but the 3 day target was met.

We also reported that since operational changes were made at the start of April 2017 we had exceeded all targets (April and May), and seen a 50% improvement in inbound next day quality over the two months.

Following this report CICRA issued a press notice on 29 June 2017 stating that it would review quality of service quarterly and on 6 July CICRA wrote to us issuing a requirement for quarterly reporting.

This is the first of those quarterly reports and shows for Q2 2017 we have met all nine quality of service targets and seen an 63% improvement in inbound next day quality of service.

It should be noted that the achievement of the Quality of Service targets is dependent on Royal Mail continuing to separate first and second class items.

Separate to this submission we have requested the removal of “internal” quality of service targets as they are somewhat meaningless and arbitrary, requiring management to make judgements on what are allowable adjustments and what are not. Jersey Post considers that the local to local quality of service measure is a sufficient proxy for the quality of service of Jersey Post free from external factors.

## 2. Introduction

In March 2013 the JCRA published a Direction to Jersey Post Limited regarding quality of service (CICRA 13/12). In July 2015 the JCRA issued a further Direction removing the next day quality of service target for UK to Jersey (CICRA 15/32). Although next day UK to Jersey is no longer a regulatory target, there is still a strong focus on inward mail network issues as these also impact on the inter-island mail delivered in Jersey.

This report from Jersey Post provides the information required under the Direction together with CICRA's letter of 6 July 2017, for the quarter ending 30 June 2017 (Q2 2017).

Our Quality of Service (QoS) is measured independently by Research International who checks the days taken to receive sample items of mail. The number of sample items and on-island panellists represent 0.03% of the total items processed and delivery points. There are 14 active panellists on Jersey.

In March 2011 CICRA approved the move from a 6 day a week requirement to deliver to a 5 day a week.

## 3. Regulatory Performance

Against targets for local-to-local (JE-JE), Guernsey (GY-JE and JE-GY), UK and Isle of Man (UK-JE and JE-UK) all measures were met for Q2 2017 and for each month within the quarter:<sup>1</sup>

- Q2 2017:

Q2 2017	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
J + 1	96.3%	65.8%	85.9%	84.8%	85.9%
J+1 Target	95%	N/A	82%	82%	82%
Items	491	701	432	211	268

Q2 2017	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
J + 3	99.8%	98.9%	99.3%	98.9%	99.3%
J+3 Target	99%	95%	97%	97%	97%
Items	491	701	432	211	268

- April 2017:

Apr-17	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
J + 1	95.7%	60.5%	86.8%	84.8%	86.8%
J+1 Target	95%	N/A	82%	82%	82%
Items	162	223	144	66	76

Apr-17	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
J + 3	99.4%	99.1%	98.6%	100.0%	100.0%
J+3 Target	99%	95%	97%	97%	97%
Items	162	223	144	66	76

<sup>1</sup> The posting day is referred to as "J" day and a target of "J+1" is a target for the proportion of mail that should be delivered the working day following the day of posting.

- May 2017:

May-17	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
J + 1	97.5%	66.4%	86.5%	84.0%	88.0%
J+1 Target	95%	N/A	82%	82%	82%
Items	159	238	141	81	92
May-17	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
J + 3	100.0%	98.7%	100.0%	98.8%	100.0%
J+3 Target	99%	95%	97%	97%	97%
Items	159	238	141	81	92

- June 2017:

Jun-17	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
J + 1	95.5%	70.8%	83.1%	84.2%	90.7%
J+1 Target	95%	N/A	82%	82%	82%
Items	154	209	142	57	97
Jun-17	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
J + 3	100.0%	98.6%	100.0%	100.0%	99.3%
J+3 Target	99%	95%	97%	97%	97%
Items	154	209	142	57	97

**a. Local to Local**

In terms of local quality where the entire end to end process is within our control all quality of service targets were met as follows:

Q2 2017: JE-JE	2016	Apr-17	May-17	Jun-17	Q2 2017
J + 1	96.4%	95.7%	97.5%	95.5%	96.3%
J+1 Target	95%	95%	95%	95%	95%
Items	2013	162	159	154	491
Q2 2017: JE-JE	2016	Apr-17	May-17	Jun-17	Q2 2017
J + 3	99.8%	99.4%	100.0%	100.0%	99.8%
J+3 Target	99%	99%	99%	99%	99%
Items	2013	162	159	154	491

The breakdown by postcode was as follows<sup>2</sup>:

	April	May	June	Q2
Post Code	QofS (April)	QofS (May)	QofS (June)	QofS Q2 (2017)
JE1 (4)	95.2	90.0	88.2	91.7
JE2 (3)	100.0	100.0	100.0	100.0
JE2 (6)	93.5	97.6	100.0	96.7
JE2 (7)	100.0	96.1	91.3	95.4
JE3 (1)	100.0	100.0	100.0	100.0
JE3 (4)	94.1	100.0	93.7	97.7
JE3 (8)	100.0	100.0	100.0	97.3
JE3 (9)	100.0	100.0	100.0	100.0

<sup>2</sup> The number in bracket in the table is the first number in the second half of the postcode.

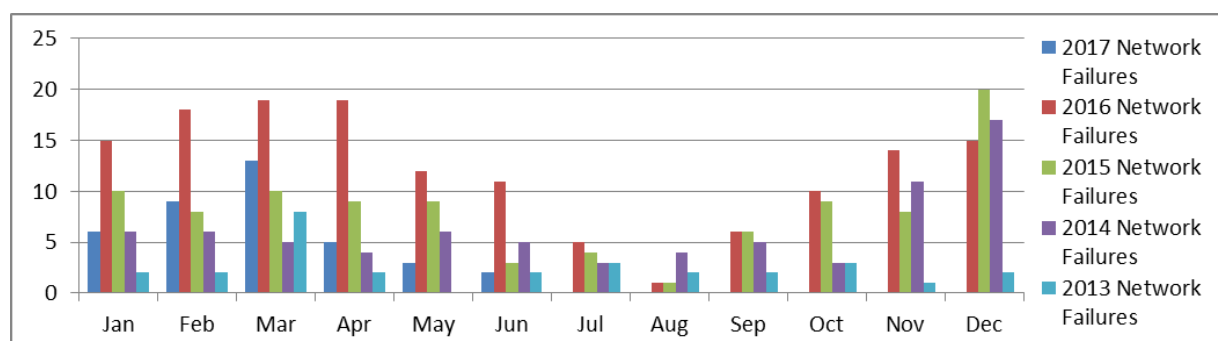
## b. Inward Mail

In CICRA 15/32 the next day target for inbound traffic was removed but the three day target was retained. The quality of service target was met and Jersey Post has seen a steady improvement in the quality of inbound next day, which now stands at the highest since August 2015. Since 2016 we have seen a 63% improvement.

Q2 2017: UK-JE	2016	Apr-17	May-17	Jun-17	Q2 2017
J + 1	43.5%	60.5%	66.4%	70.8%	65.8%
J+1 Target	N/A	N/A	N/A	N/A	N/A
Items	2928	223	238	209	701
Q2 2017: UK-JE	2016	Apr-17	May-17	Jun-17	Q2 2017
J + 3	95.2%	99.1%	98.7%	98.6%	98.9%
J+3 Target	95%	95%	95%	95%	95%
Items	2928	223	238	209	701

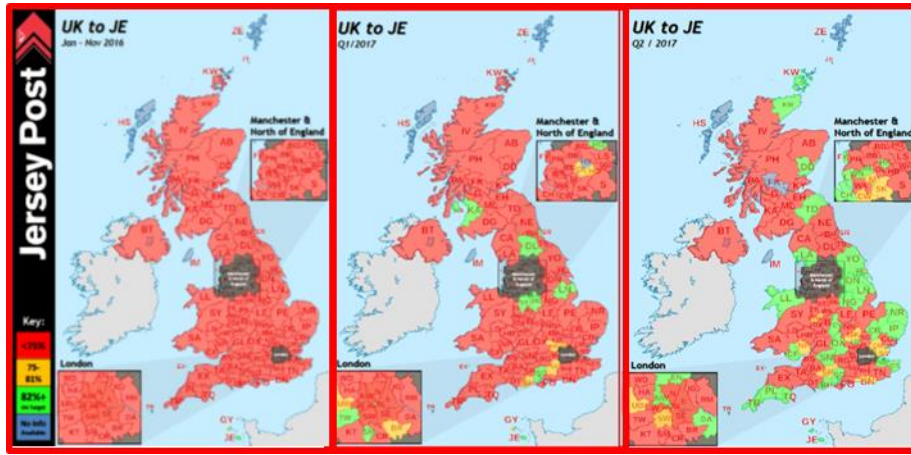
We have also seen a significant fall in the number of network failures:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2017 Network Failures	6	9	13	5	3	2							
2016 Network Failures	15	18	19	19	12	11	5	1	6	10	14	15	145
2015 Network Failures	10	8	10	9	9	3	4	1	6	9	8	20	97
2014 Network Failures	6	6	5	4	6	5	3	4	5	3	11	17	75
2013 Network Failures	2	2	8	2	0	2	3	2	2	3	1	2	29

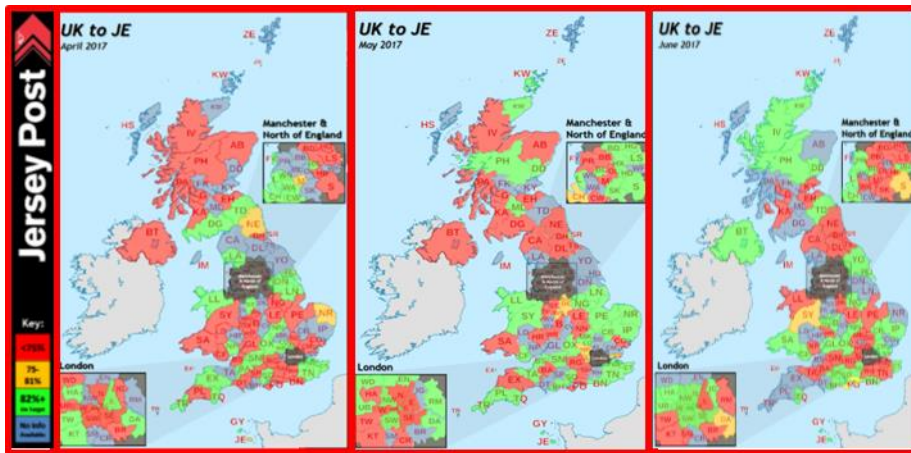


This table reflects 10 network failures compared to 42 in the same period last year, a reduction of 76%)

In looking at inbound performance by UK postcode, it can be seen that during 2016 no originating area managed to hit the target. This has improved in Q2 2017:



It has also improved by month in the quarter:



**c. Inter-Island:**

Inter-island quality of service targets were met in Q2 2017 as follows:

	GY-JE				
Q2 2017	2016	Apr-17	May-17	Jun-17	Q2 2017
J + 1	71.6%	84.8%	84.0%	84.2%	84.8%
J+1 Target	82%	82%	82%	82%	82%
Items	1273	66	81	57	211
Q2 2017	2016	Apr-17	May-17	Jun-17	Q2 2017
J + 3	98.8%	100.0%	98.8%	100.0%	98.9%
J+3 Target	97%	97%	97%	97%	97%
Items	1273	66	81	57	211
	JE-GY				
Q2 2017	2016	Apr-17	May-17	Jun-17	Q2 2017
J + 1	80.8%	86.8%	88.0%	90.7%	85.9%
J+1 Target	82%	82%	82%	82%	82%
Items	1061	76	92	97	268
Q2 2017	2016	Apr-17	May-17	Jun-17	Q2 2017
J + 3	99.8%	100.0%	100.0%	99.3%	99.3%
J+3 Target	97%	97%	97%	97%	97%
Items	1061	76	92	97	268

#### d. Outward mail

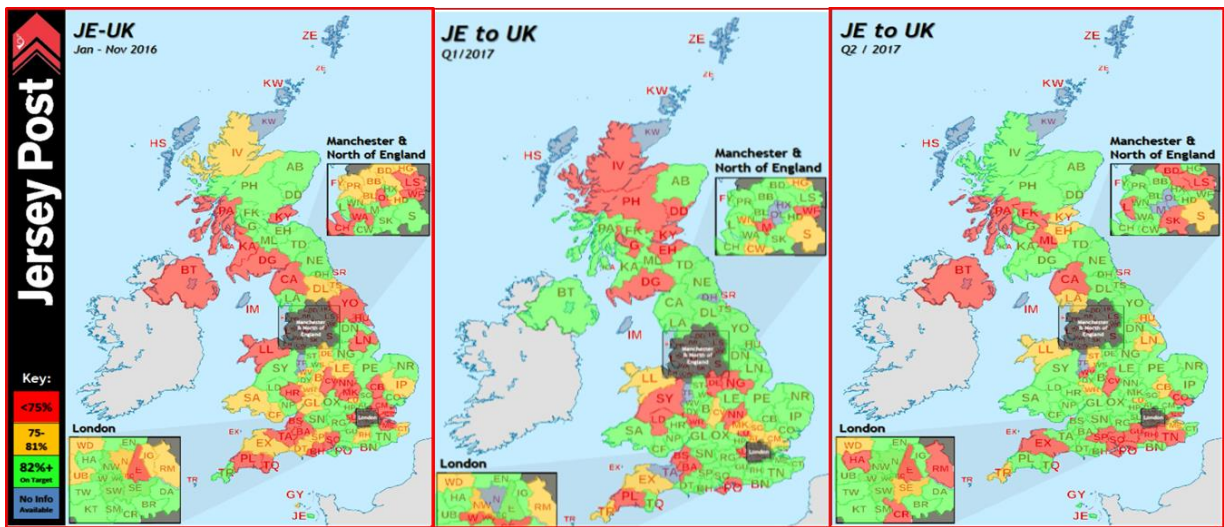
All Jersey to UK quality of service targets were met in Q2 2017:

Q2 2017: JE-UK	2016	Apr-17	May-17	Jun-17	Q2 2017
J + 1	80.6%	86.8%	86.5%	83.1%	85.9%
J+1 Target	82%	82%	82%	82%	82%
Items	1870	144	141	142	432

Q2 2017: JE-UK	2016	Apr-17	May-17	Jun-17	Q2 2017
J + 3	99.4%	98.6%	100.0%	100.0%	99.3%
J+3 Target	97%	97%	97%	97%	97%
Items	1870	144	141	142	432

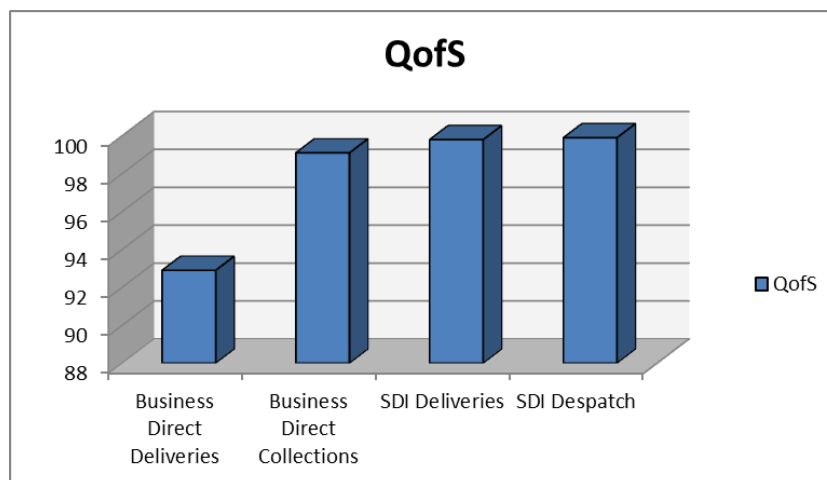
Performance has improved since 2016:



#### 4. Premium Business Products

For our measured premium services quality was:

- Business Direct Deliveries: Average daily performance: 92.9% on time;
- Business Direct Collections: Average daily performance: 99.1% on time;
- Special Delivery Inward: 99.8% delivered on day of receipt;
- Special Delivery Outward: 99.9% despatched on day of collection.





## 5. Operational Complaints

Jersey Post publishes a Consumer Code of Practice

<http://www.jerseypost.com/wp-content/uploads/2012/09/9591-JP-CONSUMER-CODE-DOCUMENT-D4.pdf>

In that Code we publish out guidelines for timeliness of dealing with queries and complaints. We currently do not measure this information. We also do not have Q2 2017 operational complaint numbers but will include this in next quarter's report.

All operational complaints are reviewed and actions recorded in order to avoid repeat issues. We try to address any operational issues in a fair and consistent manner and discuss remedial actions or training issues with the individuals involved. The consistency of this process is reflected in the results in the Customer Survey below and we have seen an improvement.

## 6. Customer Survey

Our customer survey is done annually. The last one was sent out in March 2017 and reported on in our 2016 report. As a summary the results were as follows<sup>3</sup>:

	Good or Very good					
	2017	2016	2015	2014	2013	2012
How do you rate your postman?	93%	93%	92%	92%	86%	90%
How do you rate the overall delivery service?	86%	83%	82%	80%	71%	70%
How do you rate the retail network?	85%	85%	84%	81%	71%	81%

## 7. Internal Processes

As raised in our 2016 Quality of Service Report, the internal processes targets are somewhat arbitrary. They are not separately measured and require judgement in making adjustments for external factors outside of our control. As part of this report we request that these measures should be removed.

---

<sup>3</sup> For more detail see our 2016 Quality of Service Report published on the CICRA website <http://www.cicra.gg/cases/2017/p1274j-jersey-post-quality-of-service/p1274j-report-jersey-post-quality-of-service-2016/>