



Quality of Service Report Q3 2017

November 2017

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1. Summary

In response to a CICRA request this is the quality of service report for quarter three (Q3), 2017. This shows that yet again for the quarter we have met all nine quality of service targets.

As explained in our report for 2016 and re-iterated in our report for Q2 2017 the key issue on quality is where we rely on our UK partner Royal Mail. Since March 2017 Royal Mail has put on a larger plane for the route to and from UK and had suspended using an overflow vehicle. However, Royal Mail has recently re-introduced an additional vehicle for items that have missed the aircraft connection therefore these items would be sorted and delivered the day after those arriving by aircraft.

We have highlighted with CICRA over the last few months that Royal Mail are planning to introduce a single label and not separating out first and second class items. In our Q2 report we stated:

“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.”

Without separation it is impossible for Jersey Post to conduct an additional sortation to separate first from second. When this is introduced in 2018 it will make it difficult if not impossible to sort and deliver inbound mail (excluding Special Delivery) on the same day as arrival. Once we have confirmation from Royal Mail when that will be introduced we have agreed with CICRA that we will discuss the impact on service levels.

However as can be seen from the report, despite assurances that it will not introduce a single label, all areas of Royal Mail have begun to do so. This provides a further challenge on UK-JE quality.

Jersey Post continues to monitor and invest in maintaining and improving the service it provides to its customers and takes quality of service seriously.

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 9 measures were met for Q2:¹

- Q3 2017:

Q3/2017	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
(J+1)	97.0%	72.3%	84.4%	88.7%	90.0%
J+1 Target	95%	N/A	82%	82%	82%
Items	431	633	437	189	268
Q3/2017	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
(J+3)	100.0%	99.0%	99.4%	100.0%	100.0%
J+3 Target	99%	95%	97%	97%	97%
Items	431	633	437	189	268

- July 2017:

Jul-17	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
(J+1)	95.7%	73.3%	84.8%	85.1%	90.7%
J+1 Target	95%	N/A	82%	82%	82%
Items	164	251	165	74	97
Jul-17	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
(J+3)	100.0%	98.0%	99.4%	100.0%	100.0%
J+3 Target	99%	95%	97%	97%	97%
Items	164	251	165	74	97

¹ 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.

- August 2017:

Aug-17	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
(J+1)	97.9%	75.1%	83.7%	87.1%	90.1%
J+1 Target	95%	N/A	82%	82%	82%
Items	142	201	153	62	91

Aug-17	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
(J+3)	100.0%	100.0%	100.0%	100.0%	100.0%
J+3 Target	99%	95%	97%	97%	97%
Items	142	201	153	62	91

- September 2017:

Sep-17	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
(J+1)	96.8%	70.2%	81.5%	94.3%	86.3%
J+1 Target	95%	N/A	82%	82%	82%
Items	125	181	119	53	80

Sep-17	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
(J+3)	100.0%	98.9%	98.3%	100.0%	100.0%
J+3 Target	99%	95%	97%	97%	97%
Items	125	181	119	53	80

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:

Q3/2017: JE-JE	2016	Jul-17	Aug-17	Sep-17	Q3 / 2017
(J+1)	96.4%	95.7%	97.9%	96.8%	97.0%
J+1 Target	95%	95%	95%	95%	95%
Items	2013	164	142	125	431

Q3/2017: JE-JE	2016	Jul-17	Aug-17	Sep-17	Q3 / 2017
(J+3)	99.8%	100.0%	100.0%	100.0%	100.0%
J+3 Target	99%	99%	99%	99%	99%
Items	2013	164	142	125	431

The breakdown by postcode was as follows²:

Post Code Area	Jul-17	Aug-17	Sep-17	Q3/2017
JE1 (4)	86.5%	92.0%	85.2%	87.6%
JE2 (3)	100.0%	100.0%	100.0%	100.0%
JE2 (6)	97.1%	100.0%	100.0%	98.9%
JE2 (7)	96.8%	94.7%	100.0%	97.1%
JE3 (1)	100.0%	100.0%	100.0%	100.0%
JE3 (4)	95.0%	n/a	100.0%	97.3%
JE3 (8)	100.0%	100.0%	100.0%	100.0%

JE1 includes Business Direct customers who wish their mail to be delivered by a certain time early in the morning irrespective of whether all their mail has been processed that day. Therefore some of their mail can be delivered J+2. For 2018 we have discussed with

² The number in bracket in the table is the first number in the second half of the postcode.

Research International to source additional panellists and remove Business Direct customers as this distorts the underlying quality of service.

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.

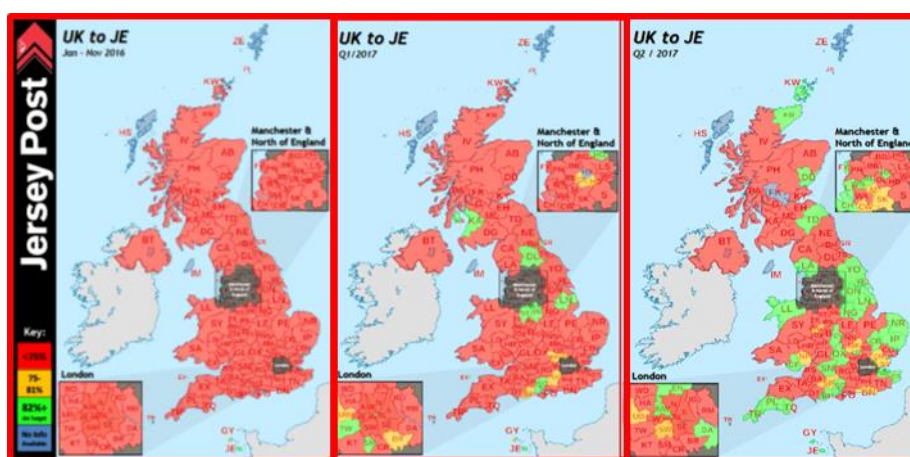
Q3/2017: UK-JE	2016	Jul-17	Aug-17	Sep-17	Q3 / 2017
(J+1)	43.5%	73.3%	75.1%	70.2%	72.3%
J+1 Target	N/A	N/A	N/A	N/A	N/A
Items	2928	251	201	181	633
Q3/2017: UK-JE	2016	Jul-17	Aug-17	Sep-17	Q3 / 2017
(J+3)	95.2%	96.0%	100.0%	98.9%	99.0%
J+3 Target	95.0%	95.0%	95.0%	95.0%	95.0%
Items	2928	251	201	181	633

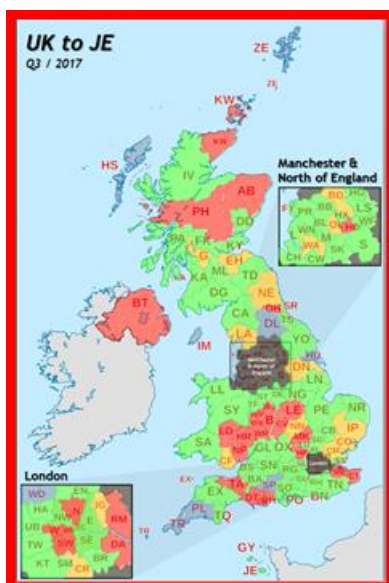
We have also seen a significant fall in the number of network failures:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017 Network Failures	6	9	13	5	3	2	4	2	1	1			46
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 46 network failures compared to 116 in the same period last year, a reduction of 60%.

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 and Q3 2017:





A key concern for Jersey Post is the move by Royal Mail to move to a single label i.e. not separating first and second class mail. If this is done on a large scale the time and resource required would make it impossible to deliver all items on the day of arrival into the island. Working with Royal Mail we had managed to delay the introduction of this until 2018, however despite this agreement Royal Mail has begun to send items under a single label. Over Q3 we have received single labels from all Royal Mail mail centres.

c. Inter-Island:

Inter-island quality of service targets were met in Q3 2017 as follows:

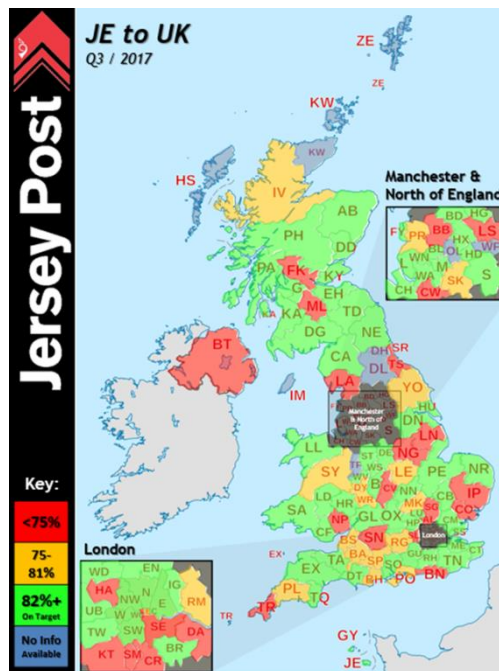
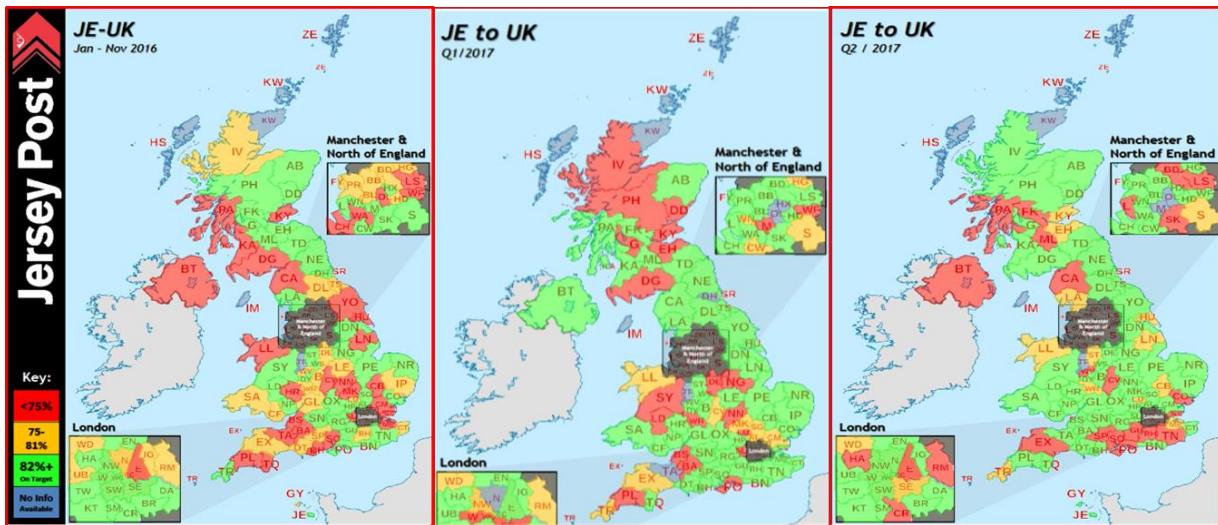
Q3/2017: GY-JE	2016	Jul-17	Aug-17	Sep-17	Q3 / 2017
(J+1)	71.6%	85.1%	87.1%	94.3%	88.7%
J+1 Target	82.0%	82.0%	82.0%	82.0%	82.0%
Items	1273	74	62	53	189
Q3/2017: GY-JE	2016	Jul-17	Aug-17	Sep-17	Q3 / 2017
(J+3)	98.8%	98.6%	100.0%	100.0%	100.0%
J+3 Target	97.0%	97.0%	97.0%	97.0%	97.0%
Items	1273	74	62	53	189
Q3/2017: JE -GY	2016	Jul-17	Aug-17	Sep-17	Q3 / 2017
(J+1)	80.8%	90.7%	90.1%	86.3%	89.5%
J+1 Target	82.0%	82.0%	82.0%	82.0%	82.0%
Items	1061	97	91	80	268
Q3/2017: JE -GY	2016	Jul-17	Aug-17	Sep-17	Q3 / 2017
(J+3)	99.8%	100.0%	100.0%	100.0%	100.0%
J+3 Target	97.0%	97.0%	97.0%	97.0%	97.0%
Items	1061	97	91	80	268

d. Outward mail

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

Q3/2017: UK-JE	2016	Jul-17	Aug-17	Sep-17	Q3 / 2017
(J+1)	80.6%	84.8%	83.7%	81.5%	84.4%
J+1 Target	82.0%	82.0%	82.0%	82.0%	82.0%
Items	1870	165	153	119	462
Q3/2017: UK-JE	2016	Jul-17	Aug-17	Sep-17	Q3 / 2017
(J+3)	99.4%	99.4%	100.0%	98.3%	99.4%
J+3 Target	95.0%	95.0%	95.0%	95.0%	95.0%
Items	1870	165	153	119	462

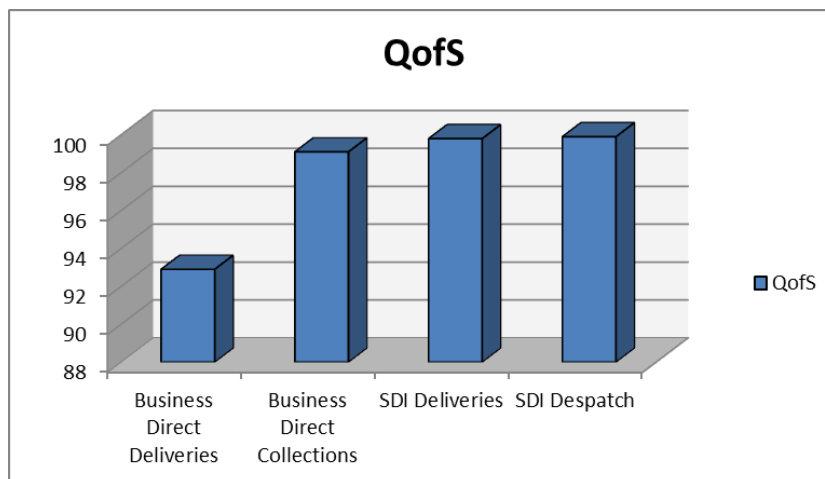
Performance has improved since 2016:



4. Premium Business Products

For our measured premium services quality remains unchanged:

- 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 quarterly 2017 operational complaint numbers but will include this in the annual 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.

Our recently updated terms and conditions are at:

<http://www.jerseypost.com/wp-content/uploads/2017/10/Jersey-Post-General-Terms-Conditions.pdf>

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 follows³:

	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. It is our intention to apply formally to CICRA to have these targets removed as a more appropriate measure of our performance end to end on Jersey is the local QoS measure.

³ 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/>