

Quality of Service Report 2017

December 2018

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

As part of our licence Jersey Post is required to report annually to CICRA on its quality of service results. These are also published in our annual report. For 2017, after a challenging first quarter, we met all targets set and measurable, and saw an improvement on 2016.

2. Introduction

In March 2013 the JCRA published a Direction to Jersey Post Limited regarding quality of service (CICRA 13/11). CICRA 13/11 sets out the “Measures of the Quality of Postal Services in Jersey” for 1st class from the UK, Special Delivery and “signed for” services as stated in paragraph 7.2 (“For these routes, JP will monitor the service quality of standard mail (1st class from the UK), Special Delivery and ‘Signed For’ Services”).

In July 2015 the JCRA issued a further Direction removing the next day quality of service target for UK to Jersey (CICRA 15/32) and the retention of the J+3 target.

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.

Going forward Jersey Post has committed to CICRA that quality of service reporting will be split in to two with the following milestones:

Stage 1: QoS report (excluding the customer survey results) - to be delivered to CICRA by 31 March of the following year;

Stage 2: QoS report updated to include the customer survey results to be delivered to CICRA no later than 30 April of the following year.

Jersey Post continue to review its processes and resourcing in response to quality of service and customer feedback.

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 2017:¹

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. “D” relates the day items are received by the sorting office in Jersey.

YTD 2017	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
(J+1/D+0)	96.3%	61.6%	84.3%	81.6%	85.9%
Target	95%	N/A	82%	82%	82%
Items	1758	2713	1740	863	1070

YTD 2017	JE-JE	UK-JE	JE-UK	GY-JE	JE-GY
(J+3/D+2)	99.8%	98.6%	98.9%	97.9%	98.9%
Target	99%	95%	95%	97%	97%
Items	1758	2713	1740	863	1070
YTD to November 2017:					
Impact delays / cancellations:					
Bulk Outs:					
Total Network Issues recorded:		65			

This table reflects a solid and consistent recovery following a very poor start to the year. The recovery coincided with the introduction of a larger aircraft and a QofS review with Royal Mail

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:

YTD 2017	JE-JE
(J+1/D+0)	96.3%
Target	95%
Items	1758

YTD 2017	JE-JE
(J+3/D+2)	99.8%
Target	99%
Items	1758

The breakdown by postcode was as follows²:

Local QofS	QofS
JE1 (4)	90.8
JE2 (3)	98.6
JE2 (6)	96.7
JE2 (7)	96.7
JE3 (1)	99.2
JE3 (4)	97.4
JE3 (8)	99.0

This table reflects an above target performance for the year. A total of 65 failed items for the year (a 10% drop on 2016). 44.6% of the failures relate to JE1 post code panellists (a 3% increase on 2016). 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. Processing

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

can be done until 10.30am. Excluding JE1 from the results would improve total performance by c1.2 percentage points for local to local.

There were no active panellists in the JE2 (4), JE3 (2), JE3 (3), JE3 (5), JE3 (6), JE3 (7) or JE3 (9) postcode areas (an increase of 4 on 2016). There were 14 active panellists during the year (the same as 2016). We have discussed with Research International to source additional panellists and remove Business Direct customers as this distorts the underlying quality of service. Each panellist can represent up to 7% of the result. The fewer panellists means that variations in performance can be more significant. On Jersey there are some £49k addresses and over 100k people. The number of panellists represents 0.02% of households and 0.01% of the population. Research International have been looking to recruit panellists in 2018.

b. Inward Mail

In CICRA 15/32 the next day target for inbound traffic was removed but the three day target for first class mail was retained. The quality of service target was met and Jersey Post has seen a steady improvement in the quality of inbound next day.

YTD 2017	UK-JE
(J+1/D+0)	61.6%
Target	N/A
Items	2713

YTD 2017	UK-JE
(J+3/D+2)	98.6%
Target	95%
Items	2713

Excluding JE1 would improve J+1 quality of service by up to 9 percentage points.

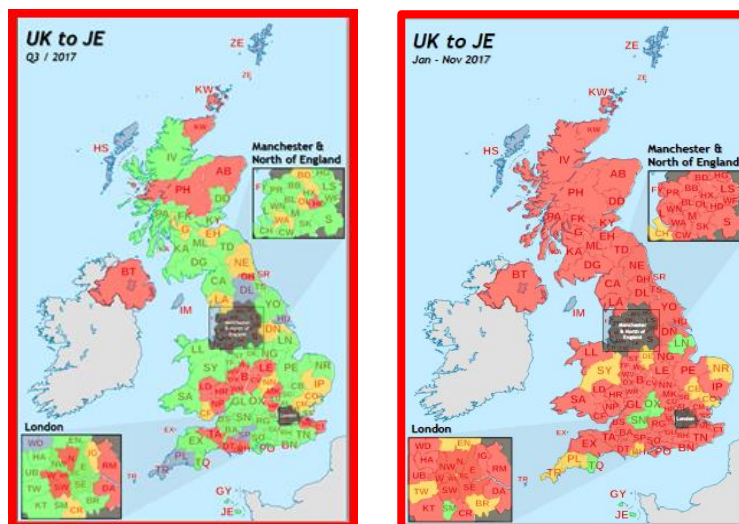
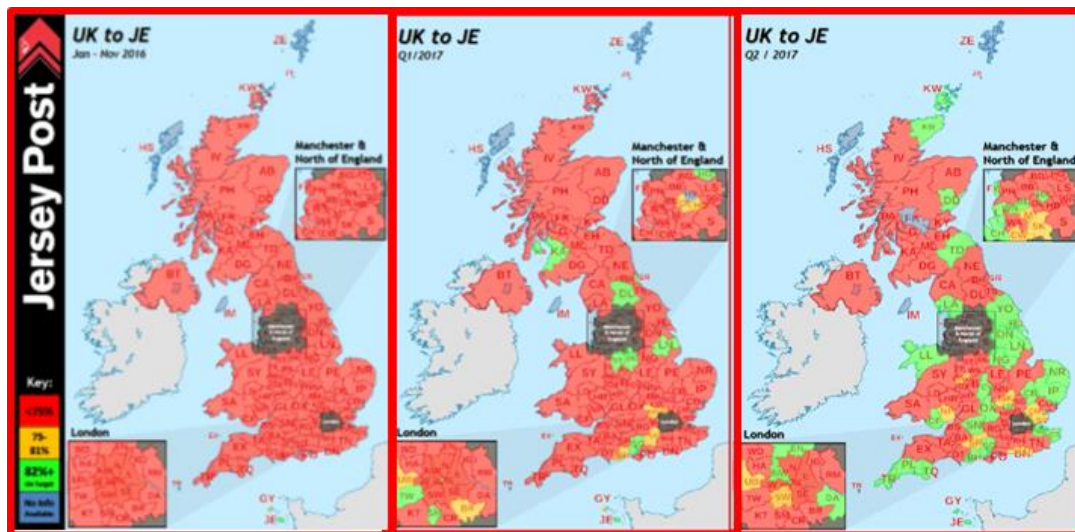
We have also seen a significant fall in the number of network failures:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017	6	9	13	5	3	2	4	2	1	1	10	9	65
2016	15	18	19	19	12	11	5	1	6	10	14	15	145
2015	10	8	10	9	9	3	4	1	6	9	8	20	97
2014	6	6	5	4	6	5	3	4	5	3	11	17	75
2013	2	2	8	2	0	2	3	2	2	3	1	2	29

This table reflects:

- 65 reported network failures during 2017 (a 56% improvement on 2016);
- 19 impact flight delays in 2017 (a 38% improvement on 2016) - 13 of these were due to weather; 2 to technical issues with the aircraft and 4 to runway or crew issues;
- 11 non-impact delays in 2017 (a 63% improvement on 2016);
- 41 bulk outs on the aircraft (a 67% improvement on 2016) totalling 855 yorks (roll cages) of mail not received on the scheduled flight (a 72% improvement on 2016);
- 64 issues in 254 delivery days (a network failure rate of 24.4% against 53.9% in 2016);
- 44% of these issues were in Q1 (before the change to the larger aircraft); 16% in Q2; 11% in Q3 and 31% in Q4 (particularly in November & December).

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 2017:



A key concern for Jersey Post is the use by Royal Mail of single labels (i.e. not separating first and second class mail) and mixed mail (i.e. the contents of the bag not being only what the label indicates). This means that first class mail mixed with other classes may not be delivered on the day of arrival. We monitor the situation regularly.

Inter-Island:

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

YTD 2017	GY-JE	JE-GY
(J+1/D+0)	81.6%	85.9%
Target	82%	82%
Items	863	1070

YTD 2017	GY-JE	JE-GY
(J+3/D+2)	97.9%	98.9%
Target	97%	97%
Items	863	1070

Excluding JE1 would improve J+1 Guernsey to Jersey quality of service by up to 5.8 percentage points.

We have seen an improving picture over the course of 2017:

Date	GY - JE QofS	JE - GY QofS
Jan-17	80.2%	74.4%
Feb-17	61.2%	73.5%
Mar-17	74.4%	68.3%
Apr-17	82.5%	90.1%
May-17	83.3%	90.2%
Jun-17	84.7%	91.0%
Jul-17	87.0%	92.7%
Aug-17	87.5%	90.7%
Sep-17	93.8%	88.4%
Oct-17	89.9%	83.6%
Nov-17	81.8%	94.0%

This table reflects a consistently above target performance after a poor start to the year in Q1. The larger aircraft was introduced at the end of Q1 and coincided with a decline in the level of network failures. 24% more panellist items were despatched off island to GY than were received for delivery in Jersey.

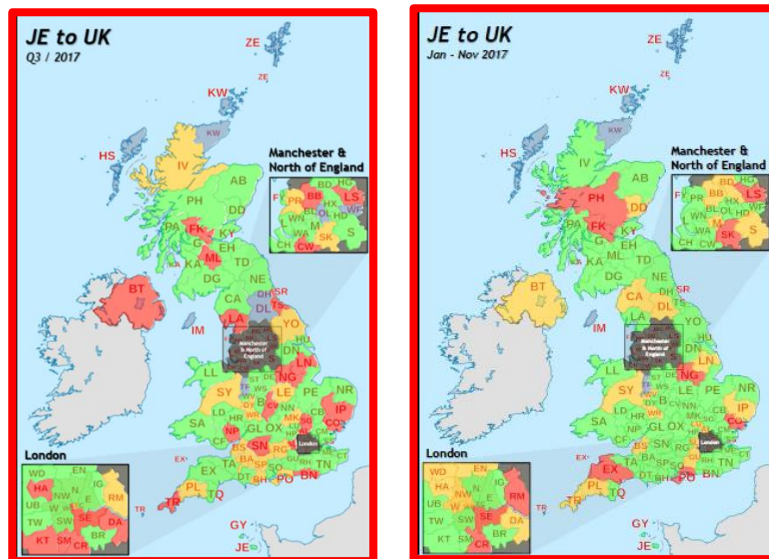
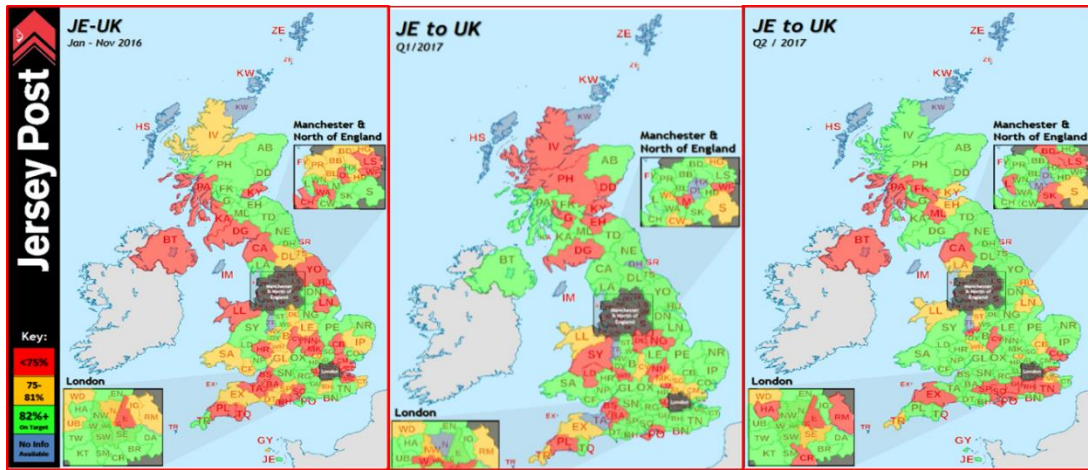
c. Outward mail

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

YTD 2017	JE-UK
(J+1/D+0)	84.3%
Target	82%
Items	1740

YTD 2017	JE-UK
(J+3/D+2)	98.9%
Target	95%
Items	1740

This table reflects a solid and consistent recovery following a very poor start to the year. The recovery coincided with the introduction of a larger aircraft and a QofS review with Royal Mail. Performance has improved since 2016:



4. Premium Business Products

For our measured premium services quality is as follows:

- Business Direct Deliveries: Average daily performance: 91.2% on time;
- Business Direct Collections: Average daily performance: 99.4% on time;
- Special Delivery Inward: 99.9% delivered on day of receipt;
- Special Delivery Outward: 99.9% despatched on day of collection.

5. Operational Complaints

Jersey Post publishes its General Terms and Conditions on its website.

<https://www.jerseypost.com/about-us/terms/>

Section 5 includes our Consumer Code.

In that Code we publish our guidelines for timeliness of dealing with queries and complaints. 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. The average time to resolve a complaint in 2017 was 7 days.

6. Customer Survey

Our customer survey is done annually. The last one was sent out in February 2018. As a summary the results were as follows:

	Good or Very good						
	2018	2017	2016	2015	2014	2013	2012
How do you rate your postman?	93%	93%	93%	92%	92%	86%	90%
How do you rate the overall delivery service?	86%	86%	83%	82%	80%	71%	70%
How do you rate the retail network?	85%	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 would require judgement in making adjustments for external factors outside of our control. The only approach would be to inject test mail into the process at the sorting office. The cost and independence of such an approach would, in our opinion, out-way the benefits of such a measure over and above the independently measured local-to-local measure reported above.