



Commission for
Communications Regulation

Information Notice

An Post's Quality of Service Domestic single piece mail.

Annual Report - January to December 2004

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An Coimisiún um Rialáil Cumarsáide

Commission for Communications Regulation

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1. Foreword

The Commission for Communications Regulation (ComReg) is responsible for monitoring An Post's quality of service performance. TNS mrbi are appointed by ComReg to measure An Post's quality of service for single piece priority mail¹ in accordance with the principles set out in the European and Irish Standard I.S. EN 13850: 2002².

We are now publishing TNS mrbi's annual report for 2004 and the results of the fourth quarter's performance from October to December 2004.

The results for 2004 show that, for mail posted throughout the state for delivery in the state, **72%** was delivered the working day after posting. This result falls well short of the target set by ComReg of 94%³ and represents only a slight improvement on the corresponding result for 2003 (71%).

The report also shows some variation in results for the different mail flows⁴. Mail posted in Dublin for delivery countrywide receives poorer levels of service than mail posted outside of Dublin for delivery countrywide – 69% compared with 73%.

Of equal concern is the finding that only 96% of single piece priority mail is delivered by the third working day after it was posted. The purpose of this measure is to ensure that if there is a failure to provide the desired level of next day delivery then it is corrected as quickly as possible thereafter. The target is that 99.5% of all mail should be processed and delivered within three working days. Despite an improvement in the third quarter, the result for the year as a whole showed no improvement on 2003.

ComReg notes and welcomes the public recognition by the Chief Executive of An Post, Mr. Donal Curtin (during his appearance at the Joint Committee on Communications, Marine and Natural Resources on February 2nd 2005) that An Post must deliver significantly improved quality of service performance to its customers. This report illustrates that improvements in quality of service will be necessary in order for An Post to meet its performance targets

Mike Byrne,
Commissioner, Commission for Communication Regulation

¹ Single piece mail is the ordinary day to day correspondence posted by individuals and businesses, big and small

² 'Postal Services – Quality of Service – Measurement of transit time of end-to-end services for single piece priority mail and first class mail'

³ ComReg Document 05/119 "Decision Notice & Further Response to Consultation – Quality of Service standards for An Post Setting an Interim Target for 2003'

⁴ Mail flows measured include (1) mail posted in Dublin (City and County) for delivery nationwide, in Dublin and in areas outside Dublin and (2) mail posted outside Dublin for delivery nationwide, locally (i.e. in the same County) and in Dublin.

2. Commentary on results

ComReg is designated with responsibility for the regulation of Universal Postal Services in Ireland. It is the sole organisation statutorily required to set and publish quality of service standards in relation to the universal service, paying attention in particular to routing times and to the regularity and reliability of services. It is also required to monitor the performance levels achieved against the targets which have been set. It has commissioned TNS mrbi to carry out this, in accordance with the European and Irish Standard, I.S. EN 13850: 2002 on its behalf. Section 4.1 of this Standard provides that 'the measuring system shall provide one annual figure for each relevant field of study'.

This is the second annual report on An Post's quality of service for single piece mail. Interim Reports have been published for each quarter to date and the report for the fourth quarter is included in this publication.

2.1 National Mail for Delivery Next Day Nationwide (D+1)

National Mail refers to all mail that is posted and delivered within the Republic of Ireland regardless of the origin or destination address. The result for the full year of 2004 and for Quarter 4 2004 for next day delivery (D⁵+1) of single piece priority national mail is reported by TNS mrbi as follows:

Table 1: Results for National Mail Next Day (D+1) delivery

National Mail (D+1)	Target Set	Q1 Jan - Mar	Q2 Apr - Jun	Q3 Jul - Sep	Q4 Oct - Dec	Full year Jan - Dec
2004	94%	70%	70%	78%	67%	72%
2003	94%	73%	71%	76%	67%	71%

Overall the independent measurement system reported that An Post delivered 72% of all single piece mail within one working day during 2004. This result falls well short of the target set by ComReg of 94% and represents only a slight improvement on the corresponding result for 2003 (71%).

There is a variation in the results for the different mail flows⁶. Mail posted in Dublin receives marginally poorer levels of overall service than mail posted elsewhere (69% compared with 73%). Dublin receives a 75% next day delivery service, suggesting that the mail posted in Dublin for delivery outside of Dublin receives a substantially inferior level of service. Similarly mail posted outside of Dublin for delivery within Dublin receives a low level of service

⁵ D represents the date of deposit

⁶ Mail flows measured include (1) mail posted in Dublin (City and County) for delivery nationwide, in Dublin and in areas outside Dublin and (2) mail posted outside Dublin for delivery nationwide, locally (i.e. in the same County) and in Dublin.

Information notice – An Post’s Quality of Service Annual Report 04 (70% is delivered the next working day), suggesting that the delay occurs when mail is moving either in or out of the Dublin area.

As in 2003, the Quarter 4 result (67%) is the lowest result of the four quarters measured. This can be directly attributed to the increased amounts of stamped letter post that are sent in the month of December.

2.2 Local mail for Delivery Next Day in County of Posting (D+1)

Local Mail refers to mail that is posted and delivered within the same county of posting. The result for the full year of 2004 and for Quarter 4 2004 for next day delivery (D+1) of priority single piece local mail is reported by TNS mrbi as follows:

Table 2: Results for Local Mail Next Day (D+1) Delivery

	Year	Target Set	Q1 Jan - Mar	Q2 Apr - Jun	Q3 Jul - Sep	Q4 Oct - Dec	Full year Jan - Dec
All local mail (D+1)	2004	94%	75%	75%	81%	71%	75%
	2003	94%	76%	75%	79%	72%	75%
Local Mail Posted in Dublin (D+1)	2004	94%	71%	75%	82%	72%	75%
	2003	94%	72%	71%	78%	69%	72%
Local Mail Posted outside Dublin (D+1)	2004	94%	78%	76%	80%	69%	76%
	2003	94%	79%	78%	80%	75%	78%

The target for local mail to be processed and delivered on the next working day is 94% (the same target as for National Mail). The results for the full year 2004 show that mail for local delivery receives a better service than other mail (75% as compared with an average of 72% for all mail).

The trend that results for local mail in Dublin are improving (as noted in the Quarter 3 2004 report⁷) has continued. The full year 2004 results show there is little distinction overall between the local mail service received by residents of counties outside Dublin (76%) and that received by those residing within Dublin (75%). This is a substantial improvement on the full year 2003 result, when there was a 6% difference between the service levels.

As with National mail, the results for Quarter 4 (71% overall, 72% in Dublin and 69% outside Dublin) reflect the difficulties experienced by An Post in giving priority service to all single piece mail when volumes increase during the Christmas period.

⁷ ComReg Document No. 04/119

2.3 National Mail delivered within three days (D+3)

The results for Quarter 4 and the full year 2004 for delivery of single piece priority mail posted nationwide for delivery nationwide within three working days (D+3) are reported by TNS mrbi as follows:

Table 3: Results for National Mail Delivery in Three working days (D +3)

All national mail (D+3)	Target Set	Q1 Jan - Mar	Q2 Apr - Jun	Q3 Jul - Sep	Q4 Oct - Dec	2004 Jan - Dec
2004	99.5%	94%	97%	99%	96%	96%
2003	99.5%	*	*	97%	97%	96%

Note: *These measurements were not reported for Q1 and Q2 2003

The purpose of this measure is to ensure that if there is a failure to provide the desired level of next day delivery then it is corrected as quickly as possible thereafter. The target is that 99.5% of all mail should be processed and delivered within three working days.

Despite a progressive improvement throughout 2004 (see Table 3 above), Quarter 4 results brought the average for the year down and the result for the full year 2004 of 96% represents no improvement on the 2003 result (96%). The decline in quality in Quarter 4 is most likely as a result of the aforementioned influx of Christmas mail.

2.4 Action underway

ComReg believes quality of service is a key element of the long term viability of An Post. ComReg notes and welcomes the public recognition by the Chief Executive of An Post, Mr. Donal Curtin (during his appearance at the Joint Committee on Communications, Marine and Natural Resources on February 2nd 2005) that An Post must deliver significantly improved quality of service performance to its customers. A marked and continuous improvement in quality of service will however be necessary in order for An Post to meet its performance targets.

ComReg has and continues to actively pursue the issue of quality improvements with An Post. For example;

- In ComReg Document No. 04/56 ComReg requested a timetabled plan for achieving the quality of service targets. When received, this plan included the proposal to engage Consultants to advise on where operational processes and performance nationwide are inhibiting An Post's ability to

Information notice – An Post's Quality of Service Annual Report 04 achieve the quality of service targets. The Report from the Consultants is due to be submitted to ComReg by the end of March 2005.

- When the year is analysed on an overall basis, the effect that the influx of Christmas mail has on the mail stream becomes apparent. In 2004 the next day delivery rate of 67% in Quarter 4 is 6% less than the average of the other three quarters (73%). As noted above, a similar trend was apparent in 2003⁸. This reduction in quality can be directly attributed to the fact that increased amounts of stamped letter post are sent in the month of December. This increase is predominantly attributable to Christmas Cards, which clearly do not require the priority service and which, in the absence of any alternative non-priority service, customers are forced to use. In ComReg's recently published document, initiating a consultation process ('The Universal Postal Service - Formulating a working definition'⁹), a solution in the form of a special non-priority 'Christmas Card service', was suggested. For further discussion of this, please see the Consultation Paper.

⁸ In 2003 the next day delivery rate of 67% in Quarter 4 is 6% less than the average of the other three Quarters (73%)

⁹ ComReg Document No. 05/16

3. TNS Mrbi reports

Republic Of Ireland Quality Of Postal Service Monitor

Interim Report Items Posted On Or Between 1st January & 31st December, 2004

ComReg



TNS mrbi
Temple House
Temple Road
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Co. Dublin
www.tnsmrbi.ie

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1. INTRODUCTION

TNS mrbi has been commissioned by ComReg to monitor the quality of postal service in the Republic of Ireland, according to the European and Irish Standard, I.S. EN 13850: 2002, 'Postal Services – Quality of Service – Measurement of transit time of end-to-end services for single piece priority mail and first class mail' in parallel with the Guide for the implementation of EN 13850, TR 14709. For monitoring purposes, the universe of post is defined as all single piece priority mail and first class mail posted and delivered in the Republic of Ireland. Monitoring is conducted via a nationwide panel of homes and business premises posting and receiving mail on a continuous basis.

This report presents the findings for items posted on or between 1st January and 31st December, 2004.

In late March/April 2004 strike action at An Post disrupted mail deliveries and prevented mail induction at some locations. All panel senders and receivers were contacted by TNS mrbi and instructed to follow procedures as normal except where access to post boxes was blocked. If access was blocked, senders were instructed to wait until access was unblocked and then send the items, adjusting the date of induction accordingly.

Reports are issued on a quarterly and year-to-date basis.

TNS mrbi is an independent provider of business information. TNS mrbi is a fully owned subsidiary of TNS plc.

2. NEXT DAY DELIVERY (D +1): ITEMS POSTED ON OR BETWEEN 1ST JANUARY & 31ST DECEMBER 2004

		DELIVERY		
		Anywhere	Local (delivery within county of posting)	Dublin County
POSTING	Anywhere	72% (+/-0.9%)	75% (+/-1.2%)	73% (+/-1.1%)
	Dublin county	69% (+/-1.6%)	75% (+/-1.7%)	75% (+/-1.7%)
	Outside Dublin county	73% (+/-1.2%)	76% (+/-1.9%)	70% (+/-1.5%)

1. *() figures in brackets relate to accuracy levels at 95% confidence*
2. *Total number of effective observations – 22148*
3. *Dublin County consists of the administrative areas of the Dublin City Council, Fingal County Council, South Dublin County Council and Dun Laoghaire – Rathdown County Council.*

3. DELIVERY WITHIN THREE DAYS (D +3): ITEMS POSTED ON OR BETWEEN 1ST JANUARY & 31ST DECEMBER, 2004

		DELIVERY		
		Anywhere	Local (delivery within county of posting)	Dublin County
POSTING	Anywhere	96% (+/-0.4%)	97% (+/-0.5%)	96% (+/-0.5%)
	Dublin county	95% (+/-0.8%)	96% (+/-0.8%)	96% (+/-0.8%)
	Outside Dublin county	97% (+/-0.5%)	98% (+/-0.6%)	96% (+/-0.7%)

1. () figures in brackets relate to accuracy levels at 95% confidence
2. Total number of effective observations – 22148
3. Dublin County consists of the administrative areas of the Dublin City Council, Fingal County Council, South Dublin County Council and Dun Laoghaire – Rathdown County Council.

4. METHODOLOGY

The method of monitoring is in full accordance with European and Irish Standard, I.S. EN 13850: 2002, 'Postal Services – Quality of Service – Measurement of transit time of end-to-end services for single piece priority mail and first class mail'.

4.1 Calculation Of Transit Time

Transit times are calculated according to a five-day working week calculation rule; whereby Saturday's, Sunday's and public holidays are excluded for delivery calculation purposes.

This rule is applied on the basis that mail is posted seven days a week. Where mail is inducted on Saturday's, Sunday's and public holidays to meet advertised collections on these days Monday is regarded as the next working day for the calculation of transit time for this mail. Where there is no advertised collection on these days mail inducted over the weekend/public holiday will be regarded as having been inducted on the following Monday for the calculation of transit time.

4.2 Sample Design

The sample design corresponds with the most accurate and up-to-date estimates of real mail flow and discriminant characteristics provided by An Post. The sample employs strict proportionality across all key characteristics. Discriminant characteristics are defined as:

- Method of posting
- Method of addressing
- Envelope colour
- Envelope size
- Method of payment
- Day of week of posting

Regional mail flows are quota controlled with weighting used to restore proportionality.

4.3 Geographical Distribution

Stratified random sampling is employed to achieve the required panel geographical distribution. All addresses are verified with panellists for accuracy and completeness.

4.4 Calculation Of Results

Accuracy of the transit time is assessed by calculating the variance of the estimator and the design factor, taking into account:

- number of points of induction and receiving
- correlation of test items

5. PROJECT TEAM

Ian McShane, Managing Director, TNS mrbi

Damian Loscher, Deputy Managing Director, TNS mrbi

Maura Murphy, Associate Director, TNS mrbi

Cathal Carroll, Research Consultant, TNS mrbi

6. CERTIFICATION OF STATISTICAL PROCEDURE AND PERFORMANCE STATISTICS

This is to certify that all the performance statistics published in this report are accurate, valid and reliable. The design of the study, calculation of results and statements of accuracy are in full compliance with the requirements of the European Standard prEN 13850.

All procedures and performance statistics published in this document have been certified by Mr. Bill Blyth, Fellow of the Royal Statistical Society (FRSS), Chartered Statistician (C.Stat.) and Chief Statistician TNS UK.

**Republic Of Ireland Quality Of
Postal Service Monitor**

**Interim Report
Items Posted On Or Between
1st October & 31st December, 2004**

ComReg



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Temple Road
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		DELIVERY		
		Anywhere	Local (delivery within county of posting)	Dublin County
POSTING	Anywhere	67% (+/-1.7%)	71% (+/-2.3%)	69% (+/-2.1%)
	Dublin county	68% (+/-2.7%)	72% (+/-3.1%)	72% (+/-3.1%)
	Outside Dublin county	66% (+/-2.3%)	69% (+/-3.9%)	64% (+/-3.0%)

1. () figures in brackets relate to accuracy levels at 95% confidence
2. Total number of effective observations – 5282
3. Dublin County consists of the administrative areas of the Dublin City Council, Fingal County Council, South Dublin County Council and Dun Laoghaire – Rathdown County Council.

3. DELIVERY WITHIN THREE DAYS (D +3): ITEMS POSTED ON OR BETWEEN 1ST OCTOBER & 31ST DECEMBER, 2004

		DELIVERY		
		Anywhere	Local (delivery within county of posting)	Dublin County
POSTING	Anywhere	96% (+/-0.7%)	96% (+/-1.0%)	97% (+/-0.8%)
	Dublin county	96% (+/-1.1%)	97% (+/-1.2%)	97% (+/-1.2%)
	Outside Dublin county	96% (+/-0.9%)	96% (+/-1.7%)	96% (+/-1.2%)

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