



Commission for
Communications Regulation

Information Notice

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

Quarter 2, April to June 2003

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1 Foreword

The Commission for Communications Regulation (ComReg) is responsible for monitoring An Post's quality of service performance. We appointed TNS mrbi, under public procurement procedures, to measure An Post's quality of service for single piece 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 report on the second quarter's performance. According to this report only 71% of single piece mail items were delivered the working day after posting. The target set by ComReg for the year 2003 was 94%. As the result for the first quarter was 73% it is already clear that the target for the full year will not be met.

While ComReg will continue to encourage An Post to take whatever steps are necessary to improve the quality of postal services generally, it is also working on other remedies to enforce compliance with the objective of ensuring that postal users get the level of service they need.

It should be noted that the core policy goal of the Government in respect of the postal sector is to ensure that Irish industry and domestic customers enjoy competitively priced, high-quality postal services on a par with the highest quality standards in key comparator economies elsewhere in the EU.

The imperative therefore is to secure significant improvements in the day to day performance for the remainder of this year and in particular to ensure that, in compliance with previous assurances, there will be no repetition of the delays experienced last Christmas.

**Etain Doyle,
Chairperson.**

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'

2 Commentary on Results

ComReg is designated with responsibility for the regulation of Universal Postal Services in Ireland. It is required to set and publish quality of service standards³ 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 do this, in accordance with the European and Irish Standard, I.S. EN 13850: 2002 on its behalf.

2.1 Results for 2nd Quarter of 2003

TNS mrbi's report for the second quarter of 2003 shows that only 71% of single piece priority mail was delivered the day after posting. 75% of mail for local delivery was delivered the day after posting. Only 64% of single piece priority mail from provincial centres to addresses in Dublin was delivered the day after posting.

2.2 Quality of Service Targets

The following targets were set for An Post for the calendar years 2002 and 2003 in respect of the delivery of domestic National and Local First Class letters:

Quality of Service Targets Set	2002	2003
National Mail (D ⁴ +1)	92%	94%
Local Mail ⁵ (D+1)	94%	94%
All Mail (D+3)	99.5%	99.5%

2.3 Implications of Results Year to date.

The results reported this quarter are 2% lower than the results for the first quarter (73%). Both results are consistent with anecdotal evidence that quality is not good, such as letters of complaint to newspapers and ComReg

Even at this stage of the year it is clear that the target for the full year cannot be met. The imperative therefore is to secure significant improvements in the day to day performance and in particular to ensure that, in compliance with previous assurances, there will be no repetition of the delays experienced last Christmas.

³ For complete details of Targets set by Regulator see Appendix B

⁴ D represents the date of deposit

⁵ Local Mail is mail posted within the Greater Dublin Area or within any county council area for delivery within the same area.

2.4 Further Action required

While ComReg will continue to encourage An Post to take whatever steps are necessary to improve the quality of postal services generally, it is also working on other remedies to enforce compliance with the objective of ensuring that postal users get the level of service they need.

In the case of the year 2002 the target set was 92% and the actual performance was 90%. This was measured by An Post itself using a continuous sampling scheme that measures the performance of all mail, bulk and single piece.

It should be noted that the core policy goal of the Government in respect of the postal sector is to ensure that Irish industry and domestic customers enjoy competitively priced, high-quality postal services on a par with the highest quality standards in key comparator economies elsewhere in the EU.

3 TNS mrbi Report

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

**Interim Report
Items Posted On Or Between
1st April & 30th June, 2003**

ComReg



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TNS mrbi/6307/03

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'. 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 more than 400 homes and business premises posting and receiving mail on a continuous basis.

This report presents the findings for items posted between 1st April and 30th of June, 2003.

This is the second quality of service report to be issued by TNS mrbi. Reports will be issued on a quarterly and annual basis.

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

2. NEXT DAY DELIVERY: ITEMS POSTED ON OR BETWEEN 1ST APRIL & 30TH JUNE, 2003

		DELIVERY		
		Anywhere	Local (delivery within county of posting)	Dublin County
POSTING	Anywhere	71% (+/- 1.37%)	75% (+/- 1.94%)	69% (+/- 1.84%)
	Dublin county	70% (+/- 2.13%)	71% (+/- 2.63%)	71% (+/- 2.63%)
	Outside Dublin county	72% (+/- 1.85%)	78% (+/- 3.08%)	64% (+/- 2.68%)

1. *() figures in brackets relate to accuracy levels at 95% confidence*
2. *Total number of effective observations 6448*
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. 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'.

3.1. Calculation Of Transit Time

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

3.2. Sample Design

The sample design corresponds with the most accurate and up-to-date estimates of real mail flow and discriminant characteristics available to 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.

3.3. *Geographical Distribution*

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

3.4. *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

4. PROJECT TEAM

Ian McShane, Managing Director, TNS mrbi

Damian Loscher, Deputy Managing Director, TNS mrbi

Maura Murphy, Associate Director, TNS mrbi

Michael Brennan, Research Executive, TNS mrbi

Appendix A – Background

Obligation to measure and publish

The EC “Postal Directive”⁶ establishes a harmonised regulatory framework for postal services throughout the European Union and for securing improvements in the Quality of Service provided. It defines a decision-making process regarding further opening of the postal market to competition. It was transposed into national law by the European Communities (Postal Services) Regulations, 2000⁷, which have been revoked and replaced by the European Communities (Postal Services) Regulations, 2002⁸, (“the Postal Regulations”).

For the purposes of implementing the Postal Regulations, the Commission for Communications Regulation (“ComReg”) is designated with responsibility for the regulation of Universal Postal Services in Ireland.

It is 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.

The measurement process shall be conducted under standardised conditions laid down by CEN⁹ and the results shall be published by the Regulator at least once a year. Where the Regulator is of the opinion that the performance levels achieved are unsatisfactory or do not meet the targets which are set and published by the Regulator, the universal service provider is required to take corrective action.

Targets set by Regulator

In April 2001 a consultation paper was issued on the Quality of Service Standards to be achieved by An Post¹⁰. In September 2001 a report on the consultation was published¹¹. This Report concluded that ComReg should measure the quality of service of An Post's domestic mail in accordance with the appropriate CEN Standard¹² and that a contract should be put in place with an independent

⁶ Directive 97/67/EC of the European Parliament and of the Council of 15 December 1997 on common rules for the development of the internal market of Community postal services and the improvement of quality of service. OJ L 15 21.1.1998, p. 14, as amended by Directive 2002/39/EC of the European Parliament and of the Council of 10 June 2002 amending Directive 97/67/EC with regard to the further opening to competition of Community postal services OJ L 176 5.7.2002, p. 21.

⁷ S.I. No.310 of 2000

⁸ S.I. No.616 of 2002

⁹ CEN/TC 331 Postal Services is responsible for making postal services standards as mandated by the European Commission

¹⁰ Consultation Paper “Regulation of Postal Services-Quality of Service Standards to be achieved by An Post” document ODTR 01/28 issued April 2001.

¹¹ Report on Consultation “Regulation of Universal Postal Services – Quality of Service Standards to be achieved by An Post” document ODTR 01/73 issued on 20 September 2001.

¹² 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’

organisation for this purpose. The Report also stated that quarterly results should be published by ComReg as well as an annual result.

The quality standards for domestic mail in the State are established in relation to the time limit for routing measured from end to end¹³ for postal items of the fastest standard category according to the formula D+n, where D represents the date of deposit¹⁴ and n the number of working days which elapse between that date and that of delivery to the addressee.

The following targets were set for the calendar year 2002 to be achieved by An Post for the delivery of domestic National and Local First Class letters:

National Mail (D+1)	92%
Local Mail ¹⁵ (D+1)	94%
All Mail (D+3)	99.5%

In December 2002 ComReg published an interim target for 2003¹⁶ as follows:

National Mail (D+1)	94%
Local Mail (D+1)	94%
All Mail (D+3)	99.5%

Contract for measuring performance

ComReg requested tenders for the measurement of An Post's quality of service of domestic single piece mail using test mail items in accordance with public procurement guidelines. As a result of this process a contract was let between TNS MRBI and ComReg last August 2002. The duration of the contract is three years 'live' measurement from 1 January 2003. The intervening period from August to December 2002 was spent running pilot tests and ensuring that the sample frame was reflective of the available information about An Post's 'real mail flows'.

¹³ End-to-end routing is measured from the access point to the network to the point of delivery to the addressee.

¹⁴ The date of deposit to be taken into account shall be the same day as that on which the item is deposited, provided that deposit occurs before the latest collection time notified from the access point to the network in question. When deposit takes place after this time limit, the date of deposit to be taken into consideration will be that of the collection on the following working day.

¹⁵ Local Mail is mail posted within the Greater Dublin Area or within any county council area for delivery within the same area.

¹⁶ Quality of Service Standards for An Post – setting an Interim Target for 2003, D19/02, Document 02/119