



Commission for
Communications Regulation

Information Notice

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

Quarter 1, January to March 2007

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1 Foreword

The Commission for Communications Regulation (ComReg) is the sole organisation with statutory responsibility for monitoring An Post’s quality of service performance. ComReg is also responsible for setting and publishing quality of service standards. ComReg has appointed TNS mrbi to measure¹ the quality of service afforded by An Post to single piece mail² items posted and delivered within the Republic of Ireland.

ComReg is now publishing TNS mrbi’s report of the first quarter performance of 2007 - January to March inclusive. Performance results show that **78%** of nationwide single piece mail items were delivered the next working day after posting between January and March 2007. This represents an increase of **4%** over the same period in 2006, albeit well short of the quality of service target set by ComReg of **94%**.

The report highlights some variation in results between the different mail flows³. Of note once again is the poor performance of mail posted outside of Dublin for delivery to addresses in Dublin County - 72%, in contrast with the level of service attributed to mail posted outside of Dublin for delivery within county of posting – 81%, or compared with the performance of mail posted in Dublin for local delivery of 80%. While performance of all mail flows falls short of the target set by ComReg there is nevertheless a marked improvement in the performance of Dublin mail for local delivery in this reporting period.

The report also highlights performance of mail posted nationwide for delivery anywhere in the country within three days of posting. Again performance achieved for the first quarter in 2007 of **98%** fell short of the quality of service target set by ComReg. The target set requires that **99.5%** of all mail posted should be delivered within three working days.

The improved performance will be welcomed by all postal users and suggests that benefits are accruing from targeted and consistent actions by An Post Management in the area of quality in recent times. It is important that this progress is sustainable so that it can provide a platform for continuous improvement until the service

¹ Measurement is in accordance with the principles set out in 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’. CEN (European Standards Institute) Technical Committee 331 is responsible for postal services standardisation. It receives its mandate from the European Commission. EN 13850 has mandatory application throughout the EU.

² Single piece mail is the ordinary day to day correspondence posted by individuals and businesses, big and small.

³ Mail flows measured include (1) mail posted in Dublin (City and County) for delivery nationwide and in Dublin County and (2) mail posted outside Dublin County for delivery nationwide, locally (ie within the same County of posting) and in Dublin County.

experience by Irish Consumers is on a par with that enjoyed in other leading European Countries.

**Mike Byrne,
Chairperson**

2 Commentary on Results

ComReg is charged with responsibility for the regulation of Universal Postal Services in Ireland. It is the sole organisation with statutory responsibility 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 set. ComReg has commissioned TNS mrbi to measure performance, in accordance with the European and Irish Standard, I.S. EN 13850: 2002⁴ on its behalf. In line with the Standard, ComReg’s monitor focuses exclusively on single piece priority mail⁵.

As required by the Postal Regulations⁶ ComReg will monitor and publish interim reports for each quarter of 2007, together with aggregated year to date reports, culminating with the publication of an annual report for 2007.

2.1 National Mail for Delivery Next Day Nationwide (D⁷+1)

National Mail refers to all mail posted and delivered within the Republic of Ireland regardless of its origination or destination address. The following table shows, inter alia, results for Quarter 1 of 2007 (January to March inclusive) for next working day delivery (D+1) of single piece priority national mail as reported by TNS mrbi:

Table 1: Results for National Mail Next Day (D+1) delivery against a ComReg Target of 94%

National Mail (D+1)	Actual Q1	Actual Q2	Actual Q3	Actual Q4	Actual Full year Jan - Dec
	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	
2007	78%	<u>na</u>	<u>na</u>	<u>na</u>	<u>na</u>
2006	74%	73%	74%	66%	72%
2005	76%	78%	74%	63%	73%
2004	70%	70%	78%	67%	72%
2003	73%	71%	76%	67%	71%

The independent measurement system reported that An Post delivered **78%** of all single piece mail within one working day of posting between January and March 2007. This represents an increase of 4% over the same period in 2006.

⁴ Postal Services – Quality of Service – Measurement of transit time of end-to-end services for single piece priority mail and first class mail

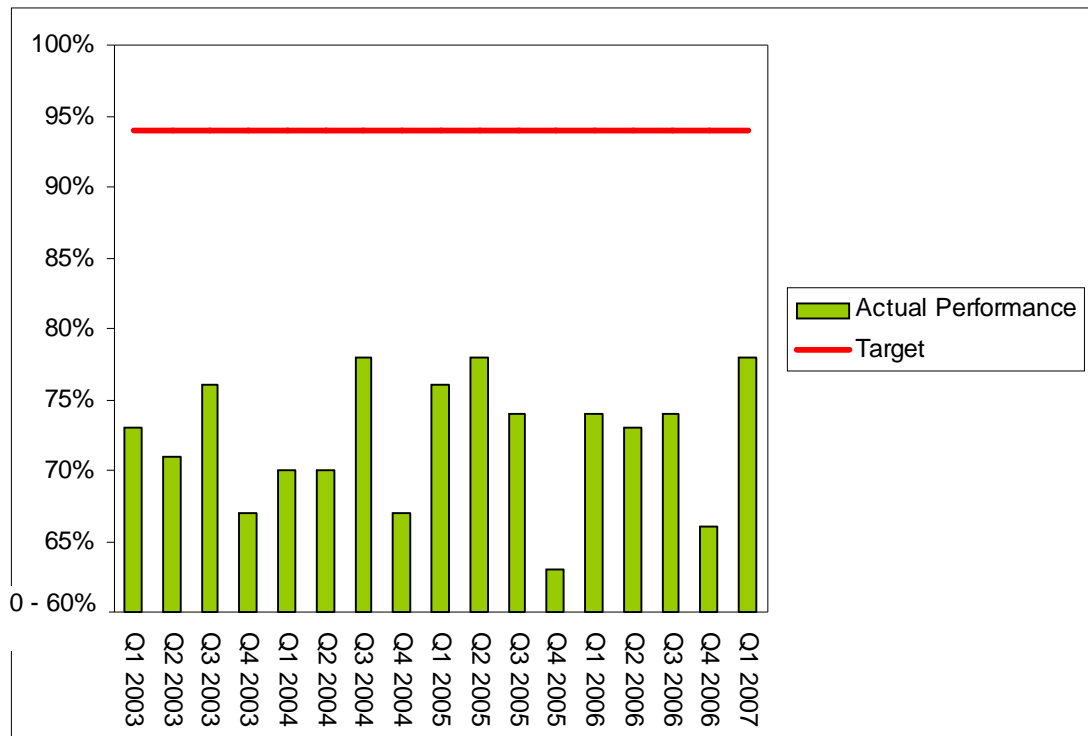
⁵ Single piece mail is the ordinary day to day correspondence posted by individuals and businesses, big and small

⁶ Regulation 12(3) of S.I. No 616 of 2002

⁷ D represents the date of deposit

Figure 1 below shows that this result falls well short of the target set by ComReg of **94%** for the period January to March 2007.

Figure 1: National Mail Next Day (D+1) Delivery Performance



Performance for Quarter 1 2007 shows signs of an improvement in the quality of service provided at national level. This quarterly result of 78% represents the best quarterly performance since Quarter 2 2005. While still well short of the target this is a positive result and it is imperative that this is maintained and improved further upon.

2.2 Local Mail for Delivery next working day in County of Posting (D+1)

Local Mail refers to mail that is delivered within the same county of posting. The results for Quarter 1 2007 for next working day delivery (D+1) of priority single piece local mail are reported by TNS mrbi as follows:

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

	Year	Actual Q1	Actual Q2	Actual Q3	Actual Q4	Actual Full year
		Jan -Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan – Dec
All local mail (D+1)	<u>2007</u>	81%	na	na	na	na
	2006	78%	76%	74%	71%	75%
	2005	79%	81%	78%	67%	76%
	2004	75%	75%	81%	71%	75%
	2003	76%	75%	79%	72%	75%
Local Mail Posted in Dublin (D+1)	<u>2007</u>	80%	na	na	na	na
	2006	76%	73%	73%	67%	73%
	2005	78%	79%	77%	70%	76%
	2004	71%	75%	82%	72%	75%
	2003	72%	71%	78%	69%	72%
Local Mail Posted outside Dublin (D+1)	<u>2007</u>	81%	na	na	na	na
	2006	80%	78%	76%	75%	77%
	2005	80%	84%	79%	64%	76%
	2004	78%	76%	80%	69%	76%
	2003	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 Quarter 1 2007 show that mail for local delivery continues to receive a better service than other mail (81% as compared with an average of 78% for national mail).

The report also highlights some variation in results between the various mail flows⁸. The performance of Dublin mail will be analysed in more detail in Section 2.3. However, of particular note is the performance of Dublin originating mail for local delivery (80%). Local mail posted outside of Dublin has recorded the highest to date result, showing performance at 81% for Quarter 1 2007.

⁸ Mail flows measured include (1) mail posted nationally for Local delivery (delivery within same county of posting), (2) mail posted in Dublin county for Local delivery (delivery within Dublin county) and (3) mail posted outside Dublin county for Local delivery (within same county of posting)

2.3 Next Working Day Delivery of Mail Posted to Dublin (D+1)

The following table shows the quality of service afforded to mail posted anywhere in the Republic of Ireland for delivery within Dublin, mail posted in Dublin for local delivery and mail posted outside of Dublin for delivery in Dublin.

Table 3: Results for Mail Delivered to Dublin for Next Working Day (D+1)

The target for this reporting stream is 94% (the same target as for National Mail).

Posted in Dublin	Year	Actual Q1	Actual Q2	Actual Q3	Actual Q4	Actual Full year Jan- Dec
		Jan -Mar	Apr - Jun	Jul - Sep	Oct - Dec	
National mail (D+1) for Dublin delivery	<u>2007</u>	78%	na	na	na	na
	2006	74%	73%	73%	66%	72%
	2005	76%	78%	74%	66%	73%
	2004	75%	75%	80%	69%	73%
	2003	71%	69%	76%	68%	71%
Dublin Mail (D+1) for Dublin delivery	<u>2007</u>	80%	na	na	na	na
	2006	76%	73%	73%	67%	73%
	2005	78%	79%	77%	70%	76%
	2004	71%	75%	82%	72%	75%
	2003	72%	71%	78%	69%	72%
Outside Dublin mail (D+1) for Dublin delivery	<u>2007</u>	72%	na	na	na	na
	2006	71%	73%	73%	62%	70%
	2005	72%	77%	69%	57%	68%
	2004	70%	69%	77%	64%	70%
	2003	69%	64%	73%	65%	68%

Overall performance of Dublin addressed mail recorded a 78% result for Quarter 1 2007; this is the best performing quarter for this mail flow since Quarter 2 2005.

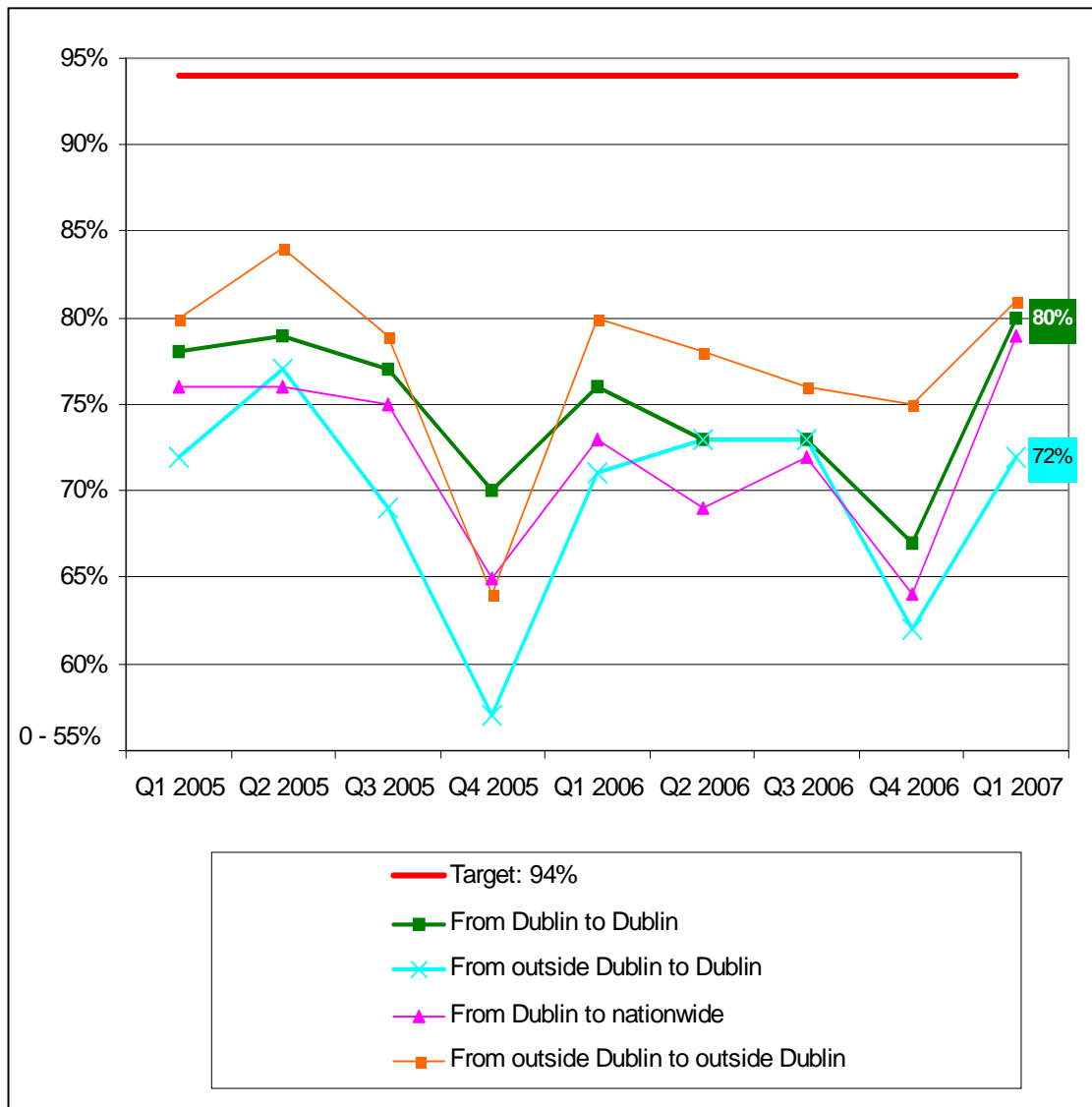
However, of most significance from TNS mrbi’s report is the fact that once again mail posted outside of Dublin for delivery to addresses in Dublin County received a much poorer level of service for Quarter 1 2007 than mail posted outside of Dublin for local delivery – 72% compared with 81% (see also Table 2 above), or compared with mail posted in Dublin for local delivery - 80%. This suggests that difficulties arise once mail arrives from provincial locations for processing at the Dublin Mail Centre. As a result it appears that the overall next day delivery performance of mail posted outside Dublin county for the first quarter of 2007 (76%) is brought down by the divergence between performances afforded to mail with local

addresses (81%) and mail with Dublin bound addresses (72%) - Table 2 above refers.

On a more positive note it is clear that the performance of Dublin addressed mail has improved over Quarter 1 of 2006 (+ 4%) with local Dublin mail taking most of the credit for this improvement.

Figure 2 below shows An Post’s performance for the key strategic mail flows measured quarterly from 2005 to date.

Figure 2: National Mail Next Day (D+1) Delivery Performance



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

The results for Quarter 1 2007 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 4: Results for National Mail Delivery within Three working days (D +3)

All national mail (D+3)	Actual Q1	Actual Q2	Actual Q3	Actual Q4	Annual Jan - Dec
	Jan -Mar	Apr - Jun	Jul - Sep	Oct - Dec	
<u>2007</u>	98%	na	na	na	na
<u>2006</u>	96%	97%	98%	96%	97%
<u>2005</u>	98%	98%	96%	96%	97%
<u>2004</u>	94%	97%	99%	96%	96%
<u>2003</u>	na	na	97%	97%	96%

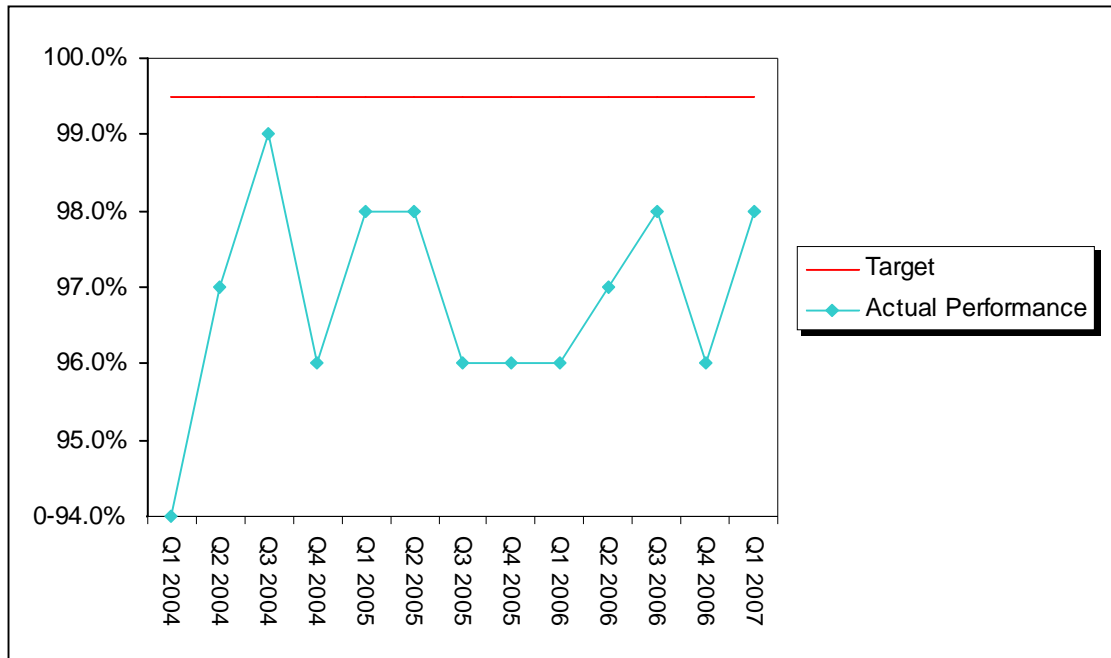
The purpose of this measure is to ensure that if there is a failure to provide the desired level of next day delivery then it is corrected as quickly as possible thereafter. The target set requires that 99.5% of all mail posted should be processed and delivered within three working days of posting.

TNS mrbi’s report shows that 98% of all mail was delivered within three working days of posting for Quarter 1 2007. This represents a 2% increase in performance over the first quarter of 2006. Notwithstanding this improvement the performance falls short of the 99.5% target set for delivery of mail within 3 days of posting.

From closer examination of the TNS mrbi report (see Annex attached for First Quarter 2007 results), it is worth looking at the performances of some of the different mail flows after three days of posting and, in particular, at the performance of mail posted outside of Dublin for Dublin delivery (98%). This contrasts positively with the poor next day delivery service for the same mail flow (72%). A similar trend is not to be seen for Dublin local mail; with performance after three days of posting achieving 97% in contrast with next day delivery performance of 80%. The only mail flows that performed less well than 98% delivery within three days of posting in Quarter 1 2007 were mail posted in Dublin County for delivery nationwide and locally (97%). This of some concern to ComReg as the findings of the D+1 monitor suggested an improvement in performance of Dublin mail and perhaps points to difficulties at the Dublin Mail Centre.

The overall trend for National Mail Delivery within three working days (D +3) is illustrated in figure 3:

Figure 3: National Mail Delivery within Three working days (D +3) delivery performance



2.5 Action Underway

An Post Quality of Service performance during the first quarter of 2007 signals an improvement in the level of service provided to consumers. The improvement in performance is encouraging and is a step in the right direction.

An Post has committed to achieving the 94% quality of service target for next day delivery through the implementation of its *Quality of Service Improvement Programme*, which it states is specifically geared towards the achievement of the Quality of Service targets set by ComReg.

ComReg will continue to monitor the effects on quality, if any, as An Post implements its redesigned Collection & Delivery (C&D) working arrangements. An Post has stated that the implementation of its C&D changes has been fully rolled out at the Ballyfermot Delivery Service Unit (DSU) and is now running smoothly. An Post states that implementation of these changes at a number of other DSU’s is scheduled for July 2007.

The first quarter report 2007 as submitted by TNS mrbi is published in full as an Annex to this document.

Annex - TNS mrbi Report – First Quarter 2007 – 07/33