



Commission for
Communications Regulation

Information Notice

Quality of Service Domestic single piece mail Performance of An Post.

Annual Report - January to December 2003

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1 Foreword

The Commission for Communications Regulation (ComReg) is responsible for monitoring An Post's quality of service performance and setting targets. ComReg appointed TNS mrbi in 2002 to measure¹ the quality of service afforded by An Post to single piece mail² items.

TNS mrbi has now made available the first annual report for the calendar year 2003 together with details for the fourth quarter's performance results from October 2003 to December 2003. The results for 2003 show that, for mail posted throughout the state for delivery in the state, 71% was delivered on the next working day (excluding weekends and bank holidays) and 96% was delivered within three working days. There is a variation in the results for the different mail flows³. Mail posted in Dublin receives slightly poorer levels of service than mail posted elsewhere – 70% compared with 73%. On the other hand only 68% of mail posted outside of Dublin for delivery in Dublin is delivered the next working day. The results are based on a sample design that corresponds with the most accurate and up-to-date estimates of mail flows provided by An Post.

The quality standards that An Post was targeted to achieve in 2003 for single piece mail posted and delivered within the state are at 94% for next day delivery and 99.5% for delivery within three working days⁴.

ComReg has recently published a consultation paper⁵ which invited all interested parties, including customers and operators, to make submissions by 12 March, on the target for next day delivery taking into account all those factors that impact quality. Those factors should allow a reasonable percentage for unforeseeable circumstances in addition to a percentage for exceptional factors that make it uneconomic for An Post to provide a 100% next day service, while considering what are reasonable customer expectation. We hope that users of the post will take this opportunity to let us know their views.

**John Doherty,
Chairperson.**

¹ Measurement is in accordance with the principles set out in the European and Irish Standard I.S. EN 13850: 2002.

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

³ Mail Flows measured include mail posted in Dublin (City and County) for delivery nationwide, in Dublin and in areas outside Dublin and mail posted outside Dublin for delivery nationwide, locally (i.e. in the same County) and in Dublin.

⁴ ComReg 02/119 "Decision Notice & Further Response to Consultation – Quality of Service standards for An Post Setting an Interim Target for 2003" 23 December 2002

⁵ Consultation Paper "Quality of Service Target 2004 - Single Piece Priority Mail" ComReg document 04/08, 3 February 2004

2 Annual Report 2003 and Results for Q4

ComReg is designated as the national regulatory authority for the postal sector in accordance with Regulation 3 (1) S.I. No 616 of 2002. It is responsible for the regulation of Universal Postal Services in Ireland in accordance with National and EC legislation. 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. To fulfil this obligation the Regulator has entered into a three year contract with TNS mrbi to manage the measurement system in accordance with the European and Irish Standard, I.S. EN 13850: 2002 on its behalf.

This is the first annual report on An Post's quality of service for single piece mail measured in accordance with the European Standard EN 13850:2002 "Postal services – Quality of service – Measurement of the transit time of end to end services for single piece priority mail and first class mail". Section 4.1 of this Standard provides that "the measuring system shall provide one annual figure for each relevant field of study". The details to be included in the report are set out in section 7 of the Standard which provides that the annual report should be based on the calendar year.

Interim Reports have been published for each quarter to date and for comparative purposes figures for the fourth quarter are also included.

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 2003 and for Quarter 4 2003 for next day delivery (D + 1) of priority single piece national mail is reported by TNS mrbi as follows:

Table 1 Result for National Mail Next Day (D+1) Delivery

Results published by TNS mrbi	Target Set ⁶	Q1 Jan-Mar	Q2 Apr-Jun	Q3 Jul-Sep	Q4 Oct-Dec	2003 Jan-Dec
Doc. Réf Com Reg	02/119	03/58	03/107	03/135	04/24	04/24
All Mail posted in Ireland for delivery in Ireland i.e. National Mail (D+1)	94%	73%	71%	76%	67%	71%

Overall the independent measurement system reported that An Post delivered 71% of all single piece mail within one working day during 2003. This result falls short of the target set by ComReg of 94%.

There is a variation in the results for the different mail flows⁷. Mail posted in Dublin receives slightly poorer levels of service than mail posted elsewhere – 70%

⁶ Any views on the target to be set for 2004 onwards have been invited by ComReg in the Consultation Paper ComReg 04/08 – Submission date 12 March 2004

compared with 73%. On the other hand only 68% of mail posted outside of Dublin for delivery in Dublin is delivered the next working day.

As is to be expected the Quarter 4 result (67%) is lower than the Quarter 3 result (76%) due to the impact of the surge in Christmas mail volumes that An Post processes each December. This figure is in line with previous estimates by An Post of the impact of the Christmas peak on quality of service figures.

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 measurement of this category of mail shows that mail outside of County Dublin for delivery within that local county gets a consistently better service than mail posted in County Dublin for delivery in County Dublin.

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

Results published by TNS mrbi	Target Set	Q1 Jan-Mar	Q2 Apr-Jun	Q3 Jul-Sep	Q4 Oct-Dec	2003 Jan-Dec
All Mail posted for delivery in county of posting i.e. Local Mail (D+1)	94%	76%	75%	79%	72%	75%
Posted in Dublin (City and County)	94%	72%	71%	78%	69%	72%
Posted outside Dublin	94%	79%	78%	80%	75%	78%

The target for local mail to be processed and delivered on the next working day is 94% (same as target for National Mail). The total result for 2003 recorded for posting mail in any county for delivery within that same county was 75%, some four percent better than the figure for national mail. Counties outside Dublin receive a better service (78%) than local mail within County Dublin (72%)

The results for Quarter 4 – 72% overall, 75% outside Dublin, 69% in Dublin, reflect the impact of the Christmas peak.

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

The result for Quarter 4 2003 and the full year 2003 for delivery of priority single piece mail posted nationwide for delivery nationwide within three working days (D + 3) is reported by TNS mrbi as follows:

⁷ Mail Flows measured include mail posted in Dublin (City and Country) for delivery nationwide, in Dublin and in areas outside Dublin and mail posted outside Dublin for delivery nationwide, locally (i.e. in the same County) and in Dublin.

Table 3 Results for National Mail Delivery In Three Working Days

Results published by TNS mrbi	Target Set	2003 Jan-Dec
Doc Ref ComReg	02/119	04/24
Aall Mail posted in Ireland for delivery in Ireland (D+3)	99.5%	96%

The purpose of this measure is to ensure that if there a failure to provide the desired level of next day delivery 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. An Post only delivered 96% of mail within this time frame. Unlike next day performance there is very little variation for the different mail types, except for mail posted outside of Dublin for delivery in Dublin where the percentage falls to 94%.

2.4 Action Underway

ComReg has recently published a consultation paper⁸ which invited all interested parties, including customers and operators, to make submissions by 12 March, on the target for next day delivery taking into account all those factors that impact quality. Those factors should allow a reasonable percentage for unforeseeable circumstances in addition to a percentage for exceptional factors that make it uneconomic for An Post to provide a 100% next day service, while considering what are reasonable customer expectation.

On completion of the ‘Response to Consultation’ a formal Direction will be issued to An Post under Regulation 4 (1) (b). If An Post fail to comply, ComReg will have the option under Regulation 4(1) (b) to enforce the standard which may necessitate Court action.

ComReg has also reserved the right to recommend to Government the suspension of An Post’s “reserved area” in the event of continuing non-achievement of target.

As the consultation is currently ongoing it is inappropriate to discuss this work any further.

⁸ Consultation Paper “Quality of Service Target 2004 - Single Piece Priority Mail” ComReg document 04/08, 3 February 2004

3 TNS mrbi Report

Republic Of Ireland Quality Of Postal Service Monitor

Annual Report Items Posted On Or Between 1st January & 31st December, 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 January and 31st of December, 2003.

This is the fourth quality of service report to be issued by TNS mrbi. Reports are 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 (D +1): ITEMS POSTED ON OR BETWEEN
1ST JANUARY & 31ST DECEMBER, 2003**

		DELIVERY		
		Anywhere	Local (delivery within county of posting)	Dublin County
POSTING	Anywhere	71% (+/-0.9%)	75% (+/-1.2%)	71% (+/-1.1%)
	Dublin county	70% (+/-1.5%)	72% (+/-1.7%)	72% (+/-1.7%)
	Outside Dublin county	73% (+/-1.2%)	78% (+/-1.8%)	68% (+/-1.6%)

1. *() figures in brackets relate to accuracy levels at 95% confidence*
2. *Total number of effective observations – 22991*
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. DELIVERY WITHIN THREE DAYS (D +3): ITEMS POSTED ON OR BETWEEN 1ST JANUARY & 31ST DECEMBER, 2003

		DELIVERY		
		Anywhere	Local (delivery within county of posting)	Dublin County
POSTING	Anywhere	96% (+/-0.4%)	96% (+/-0.5%)	96% (+/-0.5%)
	Dublin county	96% (+/-0.6%)	96% (+/-0.7%)	96% (+/-0.7%)
	Outside Dublin county	96% (+/-0.5%)	97% (+/-0.7%)	94% (+/-0.8%)

4. *() figures in brackets relate to accuracy levels at 95% confidence*
5. *Total number of effective observations – 22991*
6. *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. NEXT DAY DELIVERY (D +1): ITEMS POSTED ON OR BETWEEN 1ST OCTOBER & 31ST DECEMBER, 2003

		DELIVERY		
		Anywhere	Local (delivery within county of posting)	Dublin County
POSTING	Anywhere	67% (+/-1.6%)	72% (+/-2.2%)	68% (+/-2.0%)
	Dublin county	65% (+/-2.5%)	69% (+/-3.0%)	69% (+/-3.0%)
	Outside Dublin county	68% (+/-2.1%)	75% (+/-3.5%)	65% (+/-2.8%)

7. () figures in brackets relate to accuracy levels at 95% confidence
8. Total number of effective observations – 5739
9. 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.

5. DELIVERY WITHIN THREE DAYS (D +3): ITEMS POSTED ON OR BETWEEN 1ST OCTOBER & 31ST DECEMBER, 2003

		DELIVERY		
		Anywhere	Local (delivery within county of posting)	Dublin County
POSTING	Anywhere	97% (+/-0.6%)	97% (+/-0.8%)	97% (+/-0.7%)
	Dublin county	98% (+/-0.7%)	98% (+/-0.9%)	98% (+/-0.9%)
	Outside Dublin county	96% (+/-0.9%)	96% (+/-1.6%)	96% (+/-1.1%)

10. () figures in brackets relate to accuracy levels at 95% confidence
11. Total number of effective observations – 5739
12. 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.

6. 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'.

6.1. 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.

6.2 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.

6.3 Geographical Distribution

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

6.4 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

7. PROJECT TEAM

Ian McShane, Managing Director, TNS mrbi

Damian Loscher, Deputy Managing Director, TNS mrbi

Maura Murphy, Associate Director, TNS mrbi

Michael Brennan, Research Consultant, TNS mrbi

8. 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.