

**Licence Condition 4.6 (a) and (b)**  
**Licence Condition 4.9 (a) (d) and (e)**  
**Licence Condition 5**

## **Quarterly Quality of Service Report to Postcomm and Consumer Focus**

**2011/12 Quarter 1 Report**



## **NATIONAL QUARTER 1 REPORT 2011/12**

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## OVERVIEW OF QUALITY OF SERVICE PERFORMANCE

### QUARTER 1 2011/12

#### Overview

Royal Mail's modernisation programme, one of the biggest transformation programmes in UK industry, continued as the company modernises its operations with new technology, consolidation of mail centres and changes to the way mail is delivered. A key operational challenge facing Royal Mail is to continue to deliver high-quality customer service and meet its targets (which are among the highest standards in Europe) while implementing major changes. Royal Mail continued to constantly improve the way it introduces these changes to minimise any impact on customers. However, the scale of the changes it is making did lead to teething problems in some locations in this period which had a temporary impact on quality of service. In these cases, Royal Mail did everything possible to swiftly resolve any issues and restore delivery of service to customers as quickly as possible.

The performance in the quarter for the First Class products and for Special Delivery was also affected by the disruption to air services as a result of the Icelandic volcanic ash cloud. About 11% of Intra-UK First Class mail is carried by aeroplane each day in order to ensure next day delivery; there is no alternative distribution available which will provide a similar level of service.

In the quarter the full-year Licence Standards were beaten for Standard Parcels, European International Delivery and the Standard for Correctly Delivered Mail. The results in the quarter for Special Delivery (Next Day), Retail First Class, Retail Second Class, Bulk First Class, Bulk Second Class, Bulk Third Class, the geographical Standard for First Class Retail Delivered in the Postcode Areas and the two USO Standards for Delivery and Collection were below the full-year requirement.

The summary is provided on the next page.

#### Notes

1. This report is produced in accordance with Conditions 4.9(a), 4.9(e), 4.6(a), 4.6(b) and Condition 5 of Royal Mail's Licence.
2. The Annex to Condition 4 of the Licence details twelve Scheduled Services and Standardised Measures. Each of the twelve (apart from Special Delivery) has four performance bands, with the consequences of performance in each band explained in the Licence.
3. The Quarter 1 reporting period for all measures except European International Delivery was 21 March 2011 – 5 June 2010 (11 weeks).
4. The Quarter 1 reporting period for European International Delivery was 1 April 2011 – 30 June 2011.

Scheduled Service Or Standardised Measure	Quarter 1 Actual cw Full Year Target
Retail First Class	-1.6
Retail Second Class	-0.1
Bulk First Class	-1.8
Bulk Second Class	-0.7
Bulk Third Class	-0.2
Standard Parcels	+5.3
European International Delivery	+10.0
Special Delivery (Next Day)	-0.9
Postcode Area % Delivered	-59/118 PCAs
% Of Collection Points Served Each Day (USO)	-0.01
% Of Delivery Routes Completed Each Day (USO)	-0.09
% Of Items Correctly Delivered	+0.22

The PCA-level results at Quarter 1 are subject to wide statistical accuracy which will narrow as the year progresses as more samples are taken into account.

The following report details the results for Quarter 1 against the Licence Condition 4 Scheduled Services and Standardised Measures.

In addition, the Licence requires Royal Mail to provide quarterly results against the following Non-Standardised Measures which do not have Licence targetry. These are associated:

- The percentage of deliveries in the UK which are made by the latest delivery times.
- The percentage of collections in the UK which are made from Post Office letter boxes and other social access points at or after the final advertised time of collection, plus the percentage of business collections made no earlier than the collection window.
- The percentage of Downstream Access products which are delivered on the first working day after receipt by Royal Mail.

The report also includes, in accordance with Licence Condition 5, the quarterly statement on the application of the Complaints Handling Standards.

**Table 1.**

**Scheduled Services & Standardised Measures  
Actual Quarter 1 Results  
2011/12**

Standard	Scheduled Services & Standardised Measures		
	Standards %	Quarter 1 %	Quarter 1 95% cl
Grouping 1 (Retail First Class)	93.0	91.4	+/- 0.2
Grouping 2 (Retail Second Class)	98.5	98.4	+/- 0.2
Grouping 3 (Bulk First Class)	91.0	89.2	+/- 1.2
• 1 <sup>st</sup> Class Postage Paid Impression	-	89.2	+/- 0.6
• 1 <sup>st</sup> Class Response Services	-	83.7	+/- 2.3
• Mailsort 1	-	92.7	+/- 3.1
• Presstream 1	-	87.7	+/- 1.3
Grouping 4 (Bulk Second Class)	97.5	96.8	+/- 1.5
• 2 <sup>nd</sup> Class Postage Paid Impression	-	97.5	+/- 0.6
• 2 <sup>nd</sup> Class Response Services	-	94.7	+/- 1.4
• Mailsort 2	-	96.0	+/- 3.4
• Presstream 2	-	96.1	+/- 1.6
Grouping 5 (Bulk Third Class)	97.5	97.3	+/- 1.8
Standard Retail Parcels	90.0	95.3	+/- 0.8
European International Delivery	85.0	95.0	+/-0.8
Special Delivery #	99.0	98.1	##
Postcode Area Target % (Delivered)	91.5 (in 118/118)	59 of 118	
Percentage Of Collection Points Served Each Day	99.90	99.89	
Percentage Of Delivery Routes Completed Each Day	99.90	99.81	
Percentage Of Items Delivered Correctly	99.50	99.72	+/- 0.15

- Standard is full-year cumulative.
- ## Product subject to continuous sampling (confidence limit inapplicable).
- 95% cl = 95% confidence limit.
- # The result for Special Delivery is for all Special Delivery (Next Day) items. The Licence target is for Special Delivery (Next Day) other than when sold to users having an account with the licensee buying the service using their account. The Royal Mail measurement system is unable to separate the performance for account and non-account customers in this way.

**Table 2.**

**Postcode Area (PCA) First Class Stamped and Metered Delivered In PCA  
Actual Quarter 1 Results  
2011/12**

Postcode Area	Q1	C/L	✓☒
AB Aberdeen	92.7	+/- 2.6	✓
AL St Albans	89.6	+/- 3.0	☒
B Birmingham	93.7	+/- 1.5	✓
BA Bath	91.4	+/- 3.0	☒
BB Blackburn & Burnley	94.6	+/- 2.3	✓
BD Bradford	92.1	+/- 2.6	✓
BH Bournemouth	90.4	+/- 2.8	☒
BL Bolton	94.0	+/- 2.3	✓
BN Brighton	91.1	+/- 2.0	☒
BR Bromley	90.4	+/- 3.1	☒
BS Bristol	91.9	+/- 2.3	✓
BT Northern Ireland	94.5	+/- 1.7	✓
CA Carlisle	95.3	+/- 2.0	✓
CB Cambridge	89.7	+/- 3.1	☒
CF Cardiff	94.3	+/- 1.9	✓
CH Chester & Deeside	90.8	+/- 2.7	☒
CM Chelmsford	89.9	+/- 2.5	☒
CO Colchester	86.4	+/- 3.4	☒
CR Croydon	91.7	+/- 2.7	✓
CT Canterbury	88.1	+/- 3.3	☒
CV Coventry & Warwickshire	89.4	+/- 2.8	☒
CW Crewe	89.3	+/- 3.1	☒
DA Dartford	92.5	+/- 2.6	✓
DD Dundee	87.3	+/- 3.6	☒
DE Derby	95.5	+/- 1.9	✓
DG Dumfries	91.2	+/- 3.2	☒
DH Durham	95.2	+/- 2.3	✓

☒ = Areas below full-year target

✓ = Areas meeting or exceeding full-year target

⊕ = Exempted from postcode area targets

**Table 2. (Continued)**

**Postcode Area (PCA) First Class Stamped and Metered Delivered In PCA  
Actual Quarter 1 Results  
2011/12**

Postcode Area	Q1	C/L	✓☒
DL Darlington	93.6	+/- 2.4	✓
DN Doncaster	93.3	+/- 2.4	✓
DT Dorchester	90.4	+/- 3.1	☒
DY Dudley	94.4	+/- 2.4	✓
E London East	89.4	+/- 2.7	☒
EC City of London	91.5	+/- 3.3	✓
EH Edinburgh	91.6	+/- 2.2	✓
EN Enfield	87.8	+/- 3.5	☒
EX Exeter	91.0	+/- 2.8	☒
FK Falkirk	91.3	+/- 2.9	☒
FY Fylde	91.6	+/- 3.0	✓
G Glasgow	89.8	+/- 2.1	☒
GL Gloucester	93.9	+/- 2.2	✓
GU Guildford	81.3	+/- 3.2	☒
HA Harrow	91.1	+/- 2.9	☒
HD Huddersfield	91.9	+/- 2.8	✓
HG Harrogate	92.3	+/- 2.9	✓
HP Hemel Hempstead	93.4	+/- 2.3	✓
HR Hereford	91.6	+/- 2.8	✓
HS Hebrides	58.5	+/- 6.1	⊕
HU Hull	94.1	+/- 2.2	✓
HX Halifax	94.7	+/- 2.4	✓
IG Ilford	91.1	+/- 3.2	☒
IP Ipswich	90.7	+/- 2.6	☒
IV Inverness	93.7	+/- 2.5	✓
KA Kilmarnock	89.9	+/- 3.1	☒
KT Kingston upon Thames	83.9	+/- 3.5	☒

☒ = Areas below full-year target

✓ = Areas meeting or exceeding full-year target

⊕ = Exempted from postcode area targets

**Table 2. (Continued)**

**Postcode Area (PCA) First Class Stamped and Metered Delivered In PCA  
Actual Quarter 1 Results  
2011/12**

Postcode Area	Q1	C/L	✓☒
KW Kirkwall	89.6	+/- 3.4	⊕
KY Kirkcaldy	88.3	+/- 3.5	☒
L Liverpool	87.5	+/- 3.0	☒
LA Lancaster	92.7	+/- 2.6	✓
LD Llandrindod Wells	88.7	+/- 3.5	☒
LE Leicester	93.8	+/- 2.0	✓
LL North Wales	89.7	+/- 2.9	☒
LN Lincoln	93.7	+/- 2.6	✓
LS Leeds	91.5	+/- 2.3	✓
LU Luton	87.1	+/- 3.3	☒
M Manchester	92.4	+/- 2.0	✓
ME Maidstone	87.8	+/- 3.2	☒
MK Milton Keynes	94.2	+/- 2.2	✓
ML Motherwell	93.0	+/- 2.8	✓
N London N	93.5	+/- 2.2	✓
NE Newcastle	93.2	+/- 1.8	✓
NG Nottingham	92.6	+/- 2.2	✓
NN Northamptonshire	91.3	+/- 2.7	☒
NP Newport	88.9	+/- 3.1	☒
NR Norwich	89.7	+/- 2.8	☒
NW London NW	90.7	+/- 2.8	☒
OL Oldham	95.0	+/- 2.3	✓
OX Oxford	91.0	+/- 2.7	☒
PA Paisley	88.4	+/- 3.8	☒
PE Peterborough	90.2	+/- 2.6	☒
PH Perth	90.3	+/- 3.1	☒
PL Plymouth	92.5	+/- 2.4	✓

☒ = Areas below full-year target

✓ = Areas meeting or exceeding full-year target

⊕ = Exempted from postcode area targets

**Table 2. (Continued)**

**Postcode Area (PCA) First Class Stamped and Metered Delivered In PCA  
Actual Quarter 1 Results  
2011/12**

Postcode Area	Q1	C/L	✓☒
PO Portsmouth	93.4	+/- 2.3	✓
PR Preston	90.9	+/- 2.8	☒
RG Reading	93.0	+/- 2.1	✓
RH Redhill	88.8	+/- 2.7	☒
RM Romford	88.7	+/- 3.3	☒
S Sheffield	94.0	+/- 1.8	✓
SA Swansea	93.3	+/- 2.4	✓
SE London SE	91.3	+/- 2.3	☒
SG Stevenage	88.1	+/- 3.1	☒
SK Stockport	93.7	+/- 2.1	✓
SL Slough	91.4	+/- 2.8	☒
SM Sutton	93.0	+/- 2.7	✓
SN Swindon	89.7	+/- 3.0	☒
SO Southampton	91.9	+/- 2.1	✓
SP Salisbury	86.2	+/- 3.5	☒
SR Sunderland	90.7	+/- 3.0	☒
SS Southend-on-Sea	88.4	+/- 3.1	☒
ST Stoke-on-Trent	85.9	+/- 3.4	☒
SW London SW	90.2	+/- 2.2	☒
SY Shrewsbury & Mid Wales	92.8	+/- 2.6	✓
TA Taunton	91.3	+/- 3.0	☒
TD Borders	91.8	+/- 3.0	✓
TF Telford	91.1	+/- 3.2	☒
TN Tonbridge	89.8	+/- 2.7	☒
TQ Torquay	89.8	+/- 3.1	☒
TR Truro	89.9	+/- 3.0	☒
TS Teesside	93.2	+/- 2.4	✓

☒ = Areas below full-year target

✓ = Areas meeting or exceeding full-year target

⊕ = Exempted from postcode area targets

**Table 2. (Continued)**

**Postcode Area (PCA) First Class Stamped and Metered Delivered In PCA  
Actual Quarter 1 Results  
2011/12**

Postcode Area	Q1	C/L	✓☒
TW Twickenham	87.2	+/- 3.1	☒
UB Uxbridge	92.7	+/- 2.6	✓
W London West	92.5	+/- 2.1	✓
WA Warrington	92.3	+/- 2.7	✓
WC London West Central	91.9	+/- 3.1	✓
WD Watford	92.8	+/- 2.5	✓
WF Wakefield	93.8	+/- 2.5	✓
WN Wigan	92.8	+/- 2.9	✓
WR Worcester	89.6	+/- 3.0	☒
WS Walsall	91.9	+/- 2.9	✓
WV Wolverhampton	93.2	+/- 2.6	✓
YO York	93.6	+/- 2.3	✓
ZE Lerwick	47.3	+/- 6.1	⊕

☒ = Areas below full-year target

✓ = Areas meeting or exceeding full-year target

⊕ = Exempted from postcode area targets

**Table 3.**

**Percentage of Deliveries By Latest Delivery Times  
Actual Quarter 1 Results  
2011/12**

Standard	Urban Quarter 1	Rural Quarter 1
UK	99.2	100.0

**Table 4.**

**Percentage Of Street/POL Collections At Or After Final Advertised Time Of Collection  
Plus Percentage Of Business Collections Made No Earlier Than The Collection Window  
Actual Quarter 1 Results  
2011/12**

	Percentage Of Street/POL Collections At Or After The Final Advertised Time Of Collection Plus Percentage Of Business Collections Made No Earlier Than The Collection Window
National Result	Quarter 1
UK	99.7

**Table 5.**

**Downstream Access Products  
Actual Quarter 1 Results  
2011/12**

	Percentage Delivered On The First Working Day After Receipt By Royal Mail	
National Result	Quarter 1	
UK	94.8	+/- 0.5

**Table 6.****Licence Condition 5 – Application of Complaints Handling Standards  
Quarter 1 2011/12**

<b>Complaint Category</b>	<b>Complaints Received And Completed</b>	<b>Complaints Received And Not Completed</b>	<b>Recompense Paid (£)</b>
Loss	84,743	5,133	£1,554,038
Redirection	22,317	703	£59,528
Mis-Delivery	15,194	310	£7,972
Delivery Procedure Errors	13,270	506	£13,860
Delay	11,092	325	£76,048
Unconfirmed Delay/Loss	5,614	3,885	£5,434
P739 Failure	7,470	178	£1,614
Redelivery Failure	7,068	524	£1,071
Damage	6,349	461	£46,406
Proof of Delivery Failure	5,770	60	£8,364
Other	28,894	4,051	£153,093
<b>Total</b>	<b>207,781</b>	<b>16,136</b>	<b>£1,927,426</b>

**Notes:**

The “Recompense” figures include all payments made to relevant customers in accordance with the product terms and conditions, the regulatory compensation scheme for delay, and any goodwill payments made in respect of customer complaints received in the quarter.