

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

Quarterly Quality of Service Report to Postcomm And Consumer Focus

2010/11 Quarter 2 Report



**NATIONAL QUARTER 2 REPORT
2010/11**

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OVERVIEW OF QUALITY OF SERVICE PERFORMANCE
QUARTER 2 2010/11

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.

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.

The Quarter 2 reporting period for all measures except European International Delivery was 7 June 2010 – 5 September 2010 (13 weeks). The Quarter 2 reporting period for European International Delivery was 1 July 2010 – 30 September 2010.

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

The summary is provided on the next page.

Scheduled Service or Standardised Measure	Quarter 1 Actual cw Full Year Target	Quarter 2 Actual cw Full Year Target
Retail First Class	-0.3	0.7
Retail Second Class	0.2	0.5
Bulk First Class	-0.3	0.9
Bulk Second Class	0.5	0.2
Bulk Third Class	1.9	2.0
Standard Parcels	5.5	6.8
European International Delivery	8.4	10.1
Special Delivery (Next Day)	-1.4	-0.2
Postcode Area % Delivered	-28/118	-9/118
% Of Collection Points Served Each Day (USO)	0.02	0.03
% Of Delivery Routes Completed Each Day (USO)	0.04	0.05
% Of Items Correctly Delivered	0.25	0.15

NB. Since publication in the Quarter 1 Report the Quarter 1 results have been updated by the independent organisation which measures Royal Mail's quality of service.

The following Class report details the results for Quarter 2 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 Complaints Handling Standards.

Table 1.

**Scheduled Service Standards & Standardised Measures
Actual Quarter 2 & Cumulative Results (Period 1-6)
2010/11**

Standard	Scheduled Service Standards & Standardised Measures				
	Standards %	Quarter 2 %	Quarter 2 95% cl	Cumulative %	Cumulative 95% cl
Grouping 1 (Retail First Class)	93.0	93.7	+/- 0.2	93.2	+/- 0.1
Grouping 2 (Retail Second Class)	98.5	99.0	+/- 0.2	98.9	+/- 0.1
Grouping 3 (Bulk First Class)	91.0	91.9	+/- 1.0	91.3	+/- 0.8
1 st Class Postage Paid Impression	-	92.0	+/- 0.4	91.6	+/- 0.3
1 st Class Response Services	-	88.6	+/- 2.2	86.8	+/- 1.6
Mailsort 1	-	92.9	+/- 2.6	92.8	+/- 2.0
Presstream 1	-	91.8	+/- 1.0	91.2	+/- 0.8
Grouping 4 (Bulk Second Class)	97.5	97.7	+/- 0.8	97.9	+/- 0.6
2 nd Class Postage Paid Impression	-	97.9	+/- 0.4	98.2	+/- 0.3
2 nd Class Response Services	-	95.0	+/- 1.3	95.4	+/- 1.0
Mailsort 2	-	98.4	+/- 1.2	98.3	+/- 0.9
Presstream 2	-	96.6	+/- 1.3	96.7	+/- 0.9
Grouping 5 (Bulk Third Class)	97.5	99.5	+/- 0.8	99.5	+/- 0.6
Standard Retail Parcels	90.0	96.8	+/- 0.6	96.2	+/- 0.5
European International Delivery	85.0	95.1	+/-0.7	94.3	+/-0.5
Special Delivery #	99.0	98.8	##	98.3	##
Postcode Area Target % (Delivered)	91.5 (in 118/118)	109 of 118		106 of 118	
Percentage Of Collection Points Served Each Day	99.90	99.93		99.93	
Percentage Of Delivery Routes Completed Each Day	99.90	99.95		99.95	
Percentage Of Items Delivered Correctly	99.50	99.65	+/- 0.16	99.70	+/- 0.10

- Standard is full-year cumulative.
- 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.
- ## Product subject to continuous sampling (confidence limit inapplicable).

Table 2.

**Postcode Area (PCA) First Class Stamped and Metered Delivered In PCA
Actual Quarter 2 & Cumulative Results (Period 1-6)
2010/11**

Postcode Area	Q1	C/L	Q2	C/L	Cumulative	C/L	✓☒
AB Aberdeen	93.1	+/- 2.6	95.8	+/- 1.9	94.5	+/- 1.6	✓
AL St Albans	93.5	+/- 2.4	92.1	+/- 2.4	92.7	+/- 1.7	✓
B Birmingham	94.4	+/- 1.6	95.4	+/- 1.3	94.9	+/- 1.0	✓
BA Bath	93.5	+/- 2.5	95.3	+/- 2.1	94.5	+/- 1.6	✓
BB Blackburn & Burnley	94.3	+/- 2.3	93.6	+/- 2.3	94.0	+/- 1.6	✓
BD Bradford	92.4	+/- 2.7	95.2	+/- 2.0	93.9	+/- 1.7	✓
BH Bournemouth	93.7	+/- 2.3	92.8	+/- 2.3	93.2	+/- 1.6	✓
BL Bolton	91.3	+/- 2.9	94.0	+/- 2.3	92.7	+/- 1.8	✓
BN Brighton	93.4	+/- 2.1	93.7	+/- 1.9	93.5	+/- 1.4	✓
BR Bromley	93.7	+/- 2.4	93.8	+/- 2.3	93.8	+/- 1.7	✓
BS Bristol	93.6	+/- 1.7	94.8	+/- 1.4	94.3	+/- 1.1	✓
BT Northern Ireland	89.9	+/- 2.2	93.9	+/- 1.6	92.1	+/- 1.3	✓
CA Carlisle	94.5	+/- 2.5	94.6	+/- 2.1	94.6	+/- 1.6	✓
CB Cambridge	93.7	+/- 2.5	96.4	+/- 1.7	95.2	+/- 1.4	✓
CF Cardiff	93.9	+/- 1.9	93.7	+/- 1.8	93.8	+/- 1.3	✓
CH Chester & Deeside	91.8	+/- 2.6	94.2	+/- 2.1	93.1	+/- 1.6	✓
CM Chelmsford	92.6	+/- 2.4	94.0	+/- 2.0	93.4	+/- 1.5	✓
CO Colchester	94.6	+/- 2.3	91.4	+/- 2.6	92.8	+/- 1.8	✓
CR Croydon	95.1	+/- 2.2	92.8	+/- 2.5	93.8	+/- 1.7	✓
CT Canterbury	93.8	+/- 2.4	93.5	+/- 2.3	93.6	+/- 1.7	✓
CV Coventry & Warwickshire	91.5	+/- 2.5	92.4	+/- 2.2	92.0	+/- 1.6	✓
CW Crewe	92.1	+/- 2.8	88.9	+/- 3.0	90.3	+/- 2.1	☒
DA Dartford	95.0	+/- 2.1	94.6	+/- 2.1	94.8	+/- 1.5	✓
DD Dundee	92.9	+/- 2.6	94.1	+/- 2.2	93.5	+/- 1.7	✓
DE Derby	95.7	+/- 1.9	94.7	+/- 2.0	95.2	+/- 1.4	✓
DG Dumfries	89.2	+/- 4.9	94.6	+/- 2.5	92.7	+/- 2.3	✓
DH Durham	91.4	+/- 3.0	93.1	+/- 2.5	92.3	+/- 1.9	✓

☒ = 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 2 & Cumulative Results (Period 1-6)
2010/11**

Postcode Area	Q1	C/L	Q2	C/L
DL Darlington	93.3	+/- 2.6	94.4	+/- 2.3
DN Doncaster	93.3	+/- 2.4	93.2	+/- 2.3
DT Dorchester	89.5	+/- 3.1	93.2	+/- 2.3
DY Dudley	94.8	+/- 2.3	93.0	+/- 2.4
E London East	91.0	+/- 2.7	91.3	+/- 2.3
EC City of London	91.7	+/- 2.9	92.0	+/- 2.6
EH Edinburgh	90.4	+/- 2.3	92.7	+/- 1.9
EN Enfield	93.4	+/- 2.5	93.7	+/- 2.4
EX Exeter	93.9	+/- 2.4	94.1	+/- 2.2
FK Falkirk	90.5	+/- 3.1	94.3	+/- 2.3
FY Fylde	94.3	+/- 2.4	93.4	+/- 2.4
G Glasgow	90.8	+/- 2.6	94.0	+/- 1.8
GL Gloucester	93.4	+/- 2.4	95.2	+/- 1.9
GU Guildford	93.8	+/- 2.0	93.5	+/- 1.9
HA Harrow	92.3	+/- 2.7	95.9	+/- 1.9
HD Huddersfield	93.8	+/- 2.5	96.6	+/- 1.8
HG Harrogate	94.6	+/- 2.3	92.4	+/- 2.5
HP Hemel Hempstead	94.4	+/- 2.2	94.0	+/- 2.1
HR Hereford	94.3	+/- 2.3	92.5	+/- 2.4
HS Hebrides	55.3	+/- 5.4	68.9	+/- 4.7
HU Hull	92.8	+/- 2.6	93.9	+/- 2.3
HX Halifax	94.7	+/- 2.3	94.5	+/- 2.1
IG Ilford	94.4	+/- 2.3	94.8	+/- 2.2
IP Ipswich	95.3	+/- 2.1	94.2	+/- 2.1
IV Inverness	87.9	+/- 3.3	92.7	+/- 2.4
KA Kilmarnock	90.2	+/- 4.1	91.7	+/- 2.9
KT Kingston upon Thames	94.0	+/- 2.2	95.1	+/- 1.9

Cumulative	C/L	✓☒
93.9	+/- 1.7	✓
93.3	+/- 1.7	✓
91.4	+/- 1.9	☒
93.8	+/- 1.7	✓
91.2	+/- 1.8	☒
91.8	+/- 1.9	✓
91.6	+/- 1.5	✓
93.6	+/- 1.7	✓
94.0	+/- 1.6	✓
92.4	+/- 1.9	✓
93.8	+/- 1.7	✓
92.7	+/- 1.5	✓
94.4	+/- 1.5	✓
93.6	+/- 1.4	✓
94.2	+/- 1.6	✓
95.4	+/- 1.5	✓
93.4	+/- 1.7	✓
94.2	+/- 1.5	✓
93.3	+/- 1.7	✓
62.1	+/- 3.6	⊕
93.4	+/- 1.7	✓
94.6	+/- 1.6	✓
94.6	+/- 1.6	✓
94.7	+/- 1.5	✓
90.4	+/- 2.0	☒
91.1	+/- 2.4	☒
94.6	+/- 1.5	✓

☒ = 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 2 & Cumulative Results (Period 1-6)
2010/11**

Postcode Area	Q1	C/L	Q2	C/L	Cumulative	C/L	✓☒
KW Kirkwall	81.4	+/-3.9	92.3	+/- 2.7	86.6	+/- 2.4	⊕
KY Kirkcaldy	91.4	+/-2.9	92.6	+/- 2.7	92.0	+/- 2.0	✓
L Liverpool	90.2	+/-2.7	91.4	+/- 2.3	90.9	+/- 1.7	☒
LA Lancaster	93.8	+/-2.4	94.8	+/- 2.0	94.4	+/- 1.6	✓
LD Llandrindod Wells	89.5	+/-3.3	92.6	+/- 2.4	91.3	+/- 2.0	☒
LE Leicester	94.3	+/-1.8	94.0	+/- 1.6	94.1	+/- 1.2	✓
LL North Wales	92.5	+/-2.7	93.7	+/- 2.3	93.1	+/- 1.7	✓
LN Lincoln	93.5	+/-2.5	93.1	+/- 2.3	93.3	+/- 1.7	✓
LS Leeds	95.2	+/-1.8	94.5	+/- 1.7	94.8	+/- 1.2	✓
LU Luton	94.4	+/-2.3	93.7	+/- 2.2	94.0	+/- 1.6	✓
M Manchester	92.0	+/-1.9	94.6	+/- 1.5	93.4	+/- 1.2	✓
ME Maidstone	92.5	+/-2.6	94.0	+/- 2.1	93.3	+/- 1.7	✓
MK Milton Keynes	93.3	+/-2.4	93.4	+/- 2.2	93.4	+/- 1.6	✓
ML Motherwell	93.5	+/-3.6	94.1	+/- 2.6	93.9	+/- 2.1	✓
N London N	90.3	+/-2.7	94.3	+/- 2.0	92.5	+/- 1.7	✓
NE Newcastle	92.0	+/-2.2	95.2	+/- 1.5	93.7	+/- 1.3	✓
NG Nottingham	91.2	+/-2.2	92.3	+/- 1.9	91.8	+/- 1.4	✓
NN Northamptonshire	94.2	+/-2.2	92.5	+/- 2.2	93.3	+/- 1.6	✓
NP Newport	90.7	+/-2.9	93.9	+/- 2.3	92.4	+/- 1.9	✓
NR Norwich	92.0	+/-2.7	93.9	+/- 2.1	93.1	+/- 1.7	✓
NW London NW	92.0	+/-2.7	95.0	+/- 2.0	93.7	+/- 1.6	✓
OL Oldham	90.8	+/-2.9	94.5	+/- 2.2	92.8	+/- 1.8	✓
OX Oxford	93.3	+/-2.4	91.2	+/- 2.5	92.2	+/- 1.8	✓
PA Paisley	91.2	+/-4.4	89.0	+/- 3.3	89.7	+/- 2.7	☒
PE Peterborough	93.1	+/-2.2	94.9	+/- 1.7	94.0	+/- 1.4	✓
PH Perth	92.7	+/-2.8	92.7	+/- 2.5	92.7	+/- 1.9	✓
PL Plymouth	90.1	+/-3.1	95.5	+/- 2.0	93.0	+/- 1.8	✓

☒ = 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 2 & Cumulative Results (Period 1-6)
2010/11**

Postcode Area	Q1	C/L	Q2	C/L
PO Portsmouth	93.9	+/-2.2	94.5	+/- 2.0
PR Preston	93.2	+/-2.6	93.7	+/- 2.2
RG Reading	90.3	+/-2.5	90.6	+/- 2.2
RH Redhill	93.6	+/-2.4	94.7	+/- 2.0
RM Romford	91.7	+/-2.7	93.0	+/- 2.4
S Sheffield	91.1	+/-2.1	91.9	+/- 1.9
SA Swansea	93.6	+/-2.2	93.1	+/- 2.0
SE London SE	90.6	+/-2.4	92.9	+/- 2.1
SG Stevenage	93.2	+/-2.6	94.7	+/- 2.1
SK Stockport	93.5	+/-2.4	93.0	+/- 2.3
SL Slough	92.5	+/-2.6	93.2	+/- 2.3
SM Sutton	93.7	+/-2.4	95.7	+/- 2.0
SN Swindon	89.9	+/-3.1	92.4	+/- 2.5
SO Southampton	94.8	+/-1.9	94.5	+/- 1.8
SP Salisbury	93.0	+/-2.7	95.0	+/- 2.2
SR Sunderland	89.2	+/-3.3	92.3	+/- 2.8
SS Southend-on-Sea	92.0	+/-2.7	92.3	+/- 2.4
ST Stoke-on-Trent	93.5	+/-2.5	92.2	+/- 2.7
SW London SW	91.2	+/-2.1	92.4	+/- 1.8
SY Shrewsbury	94.5	+/-2.2	94.3	+/- 2.1
TA Taunton	92.2	+/-2.8	94.3	+/- 2.2
TD Borders	90.0	+/-3.2	94.9	+/- 2.2
TF Telford	91.5	+/-2.9	93.2	+/- 2.4
TN Tonbridge	92.4	+/-2.3	94.3	+/- 1.9
TQ Torquay	92.1	+/-2.9	95.2	+/- 2.1
TR Truro	90.5	+/-3.0	94.0	+/- 2.2
TS Teesside	93.7	+/-2.6	94.9	+/- 2.2

Cumulative	C/L	✓☒
94.2	+/- 1.5	✓
93.5	+/- 1.7	✓
90.5	+/- 1.7	☒
94.2	+/- 1.5	✓
92.4	+/- 1.8	✓
91.5	+/- 1.4	✓
93.3	+/- 1.5	✓
91.8	+/- 1.6	✓
94.0	+/- 1.6	✓
93.2	+/- 1.7	✓
92.9	+/- 1.7	✓
94.7	+/- 1.6	✓
91.3	+/- 2.0	☒
94.7	+/- 1.3	✓
94.0	+/- 1.7	✓
90.8	+/- 2.1	☒
92.2	+/- 1.8	✓
92.8	+/- 1.9	✓
91.9	+/- 1.4	✓
94.4	+/- 1.5	✓
93.3	+/- 1.8	✓
92.5	+/- 1.9	✓
92.4	+/- 1.9	✓
93.4	+/- 1.5	✓
93.8	+/- 1.8	✓
92.4	+/- 1.8	✓
94.3	+/- 1.7	✓

☒ = 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 2 & Cumulative Results (Period 1-6)
2010/11**

Postcode Area	Q1	C/L	Q2	C/L
TW Twickenham	92.3	+/-2.6	94.3	+/- 2.0
UB Uxbridge	94.6	+/-2.2	94.1	+/- 2.1
W London West	92.8	+/-2.1	93.6	+/- 1.8
WA Warrington	94.3	+/-2.2	90.4	+/- 2.7
WC London West Central	93.8	+/-2.6	92.0	+/- 2.6
WD Watford	94.8	+/-2.2	94.7	+/- 2.0
WF Wakefield	94.2	+/-2.4	95.0	+/- 2.1
WN Wigan	92.5	+/-2.6	87.5	+/- 3.2
WR Worcester	92.6	+/-2.6	94.4	+/- 2.1
WS Walsall	93.6	+/-2.7	95.1	+/- 2.2
WV Wolverhampton	95.2	+/-2.2	93.7	+/- 2.3
YO York	92.7	+/-2.7	95.9	+/- 1.8
ZE Lerwick	32.9	+/-4.9	52.1	+/- 4.9

Cumulative	C/L	✓☒
93.4	+/- 1.6	✓
94.3	+/- 1.5	✓
93.2	+/- 1.4	✓
92.2	+/- 1.8	✓
92.8	+/- 1.8	✓
94.8	+/- 1.5	✓
94.6	+/- 1.6	✓
90.0	+/- 2.1	☒
93.6	+/- 1.6	✓
94.4	+/- 1.7	✓
94.4	+/- 1.6	✓
94.5	+/- 1.6	✓
42.0	+/- 3.5	⊕

☒ = 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 2 & Cumulative Results (Period 1-6)
2010/11**

Standard	Urban Quarter 2	Rural Quarter 2		Urban Cumulative	Rural Cumulative
UK	98.5	99.6		98.3	99.6

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 2 & Cumulative Results (Period 1-6)
2010/11**

Percentage Of Business and Social Collections (From All Access Points) At Or After The Final Advertised Time Of Collection		
National Result	Quarter 2	Cumulative
UK	99.7	99.7

Table 5.

**Downstream Access Products
Actual Quarter 2 & Cumulative Results (Period 1-6)
2010/11**

	Percentage Delivered On The First Working Day After Receipt By Royal Mail			
National Result	Quarter 2		Cumulative	
UK	96.1	+/- 0.4	95.7	+/- 0.3

Table 6.**Licence Condition 5 – Application of Complaints Handling Standards
Quarter 2 2010/11**

Category Of Consumer Complaint	Complaints Received And Completed	Complaints Received And Not Completed	Recompense Paid (£)
Loss	74,881	2,419	£1,082,816
Redirection	24,160	2,782	£47,474
Mis-Delivery	14,415	491	£6,648
Delivery Procedure Errors	13,956	473	£10,579
Proof of Delivery Failure	11,747	28	£10,435
Unconfirmed Delay/Loss	8,322	1,838	£5,591
Delay	7,875	206	£52,846
Damage	6,650	293	£58,871
Redelivery Failure	6,456	342	£1,008
P739 Failure	6,619	88	£1,141
Other	27,652	4,338	£150,885
TOTAL	202,733	13,298	£1,428,294

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.