



Regulation of the provision of post boxes

Decision on the modification to the regulatory
obligations on Royal Mail for the provision of post boxes
(DUSP 1.8)

Statement

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Section 1

Summary

- 1.1 This statement on the regulation of the provision of post boxes sets out our decision on extending regulatory protection to all UK delivery points via a modification to the designated universal service provider (DUSP) conditions.¹
- 1.2 Ofcom’s primary duty under the Postal Services Act 2011 (“the Act”) is to carry out our functions in relation to postal services in a way that we consider will secure the provision of a universal postal service. Section 29(6) of the Act requires Ofcom to “secure the provision of sufficient access points to meet the reasonable needs of users of the universal postal service”. “Access points” are any box or other facility provided for the purpose of accepting postal items into Royal Mail’s network. In practice, this means post boxes and post offices. Royal Mail currently has about 115,500 post boxes, which can be used to send letters and small packets, but not larger items or items requiring a signature. For avoidance of doubt, this statement relates to the network of post box access points and does not consider any issues in relation to post offices.
- 1.3 Royal Mail is currently required by DUSP condition 1.8.1 to provide sufficient access points to meet the reasonable needs of users of the universal postal service.² Royal Mail is considered to have met its general obligation in DUSP 1.8.1 in relation to post boxes if it meets access point criteria set out in DUSP 1.8.2(a).
- 1.4 The access point criteria set out in DUSP 1.8.2(a) are that: “in each postcode area where the delivery point density is not less than 200 delivery points per square kilometre, not less than 99% of users of postal services are within 500 metres of a letter box”.³ On average in the UK there are about 120 delivery points (or addresses) per square km. Therefore, the current criteria only cover postcode areas (“PCAs”) with a significantly higher than average density of delivery points.⁴ The criteria exclude most rural areas, and even some cities in PCAs with low overall delivery point density, for example Belfast, Edinburgh, Newcastle and Swansea.
- 1.5 On 27 March 2013, Ofcom issued a consultation setting out proposals for modifying the current access point criteria (DUSP 1.8) to extend regulatory protection to all UK delivery points. We proposed that:
- there should be a post box within 0.5 miles by straight line distance of at least 98% of delivery points nationally; and

¹ Delivery points are the points at which a postman or woman delivers post. For example, a block of flats may contain numerous households but if mail is delivered to a central point in that block then that will be regarded as one delivery point.

² The DUSP conditions were drafted by Ofcom to replicate the previous licence conditions imposed by the former postal regulator Postcomm.

³ The distance calculation is by straight line rather than by public highway.

⁴ A postcode area refers to the first letter(s) in a postcode, for example “SE” in the postcode of Ofcom’s address, SE1 9HA.

- for the remaining 2% of delivery points, Royal Mail must provide sufficient access points or other means of access to the universal service (e.g. collection on delivery from very remote or isolated locations such as farmhouses) to meet the reasonable needs of users.
- 1.6 The consultation closed on 1 May 2013 and we received six responses. This statement summarises responses to the consultation and sets out our decision in regard to modifying DUSP 1.8.
- 1.7 Based on our previous assessment as set out in the consultation document and analysis of consultation responses, Ofcom has decided to confirm the proposal set out in our consultation, subject to one minor modification to the proposed wording of the condition (see paragraph 2.15 below).
- 1.8 In order to give effect to this decision, this statement includes a notification modifying DUSP condition 1.
- 1.9 Ofcom is satisfied that the statutory requirements for modifying DUSP condition 1 are met.
- 1.10 The modification to DUSP condition 1 set out in Annex 2 will be effective from 13 June 2013.

Section 2

Decision on modification to the current access point criteria

Introduction

- 2.1 The Act requires Ofcom to carry out our functions in relation to postal services in a way that we consider will secure the provision of sufficient access points to meet the reasonable needs of users of the universal postal service. To fulfil this duty, Ofcom imposes a condition on Royal Mail to provide access points, to a specified density.
- 2.2 In our consultation published on 27 March 2013 (“the consultation”)⁵, we argued that the current access point criteria in relation to post boxes are not fit for purpose and should be modified.⁶ In particular, the current criteria:
- apply only to 61 out of the 121 PCAs – covering about 75-80% of households and businesses but less than 20% of the UK’s geographic area; and
 - do not protect those users who are most likely to need protection – users in rural areas, where post boxes typically have lower volumes of mail and higher costs of collection per item than in urban areas.
- 2.3 We therefore set out our proposal for a UK-wide access point obligation where:
- there should be a post box within 0.5 miles⁷ by straight line distance of at least 98% of delivery points nationally; and
 - for the remaining 2% of delivery points, Royal Mail must provide sufficient access points or other means of access to the universal service (e.g. collection on delivery⁸ from very remote or isolated locations such as farmhouses) to meet the reasonable needs of users.

Legal and regulatory framework

- 2.4 The relevant applicable legal and regulatory framework is set out in section 3 of the consultation.

⁵ <http://stakeholders.ofcom.org.uk/binaries/consultations/provision-post/summary/condoc.pdf>

⁶ The consultation was only concerned with the regulatory requirements relating to post boxes, which provide access points for letters (or small packets which can fit through post boxes) and postal items without premium features. The consultation did not consider any issues regarding post offices.

⁷ About 800 metres or a 9-10 minute walk.

⁸ Collection on delivery refers to a case where the post person makes a final collection of mail at the same time that post is delivered in that area.

Responses to consultation

2.5 We received six responses to our consultation, commenting on our proposal to modify the current access criteria to cover all users of the universal service. Those responses were, overall, positive. However, some particular concerns were raised as addressed below.

Protection in urban areas

2.6 Two respondents, the Communication Workers Union (the CWU) and Consumer Focus (CF – now renamed Consumer Futures), raised concerns that one set of criteria for both urban and rural areas would allow more post boxes to be removed in high density, mostly urban, areas. In particular, although CF recognised our reasons for proposing a single UK-wide criterion, they suggested that separate criteria could be adopted as in the case of urban and rural post offices.⁹ CF also noted that in Ofcom’s quantitative research for the review of postal users’ needs, residential rural users were prepared to travel further than urban users to post their letters (0.5 miles versus 0.3 miles respectively).¹⁰

2.7 However, as set out in our consultation document:

- we are proposing to move away from the current system of differentiating between postcode areas (PCAs)¹¹ on the basis of delivery point density;
- we do not expect the proposed modification to materially impact urban users in the short to medium term, with Royal Mail having a commercial incentive to maintain widespread provision of post boxes in urban areas due to higher posting volumes and lower collection costs per item;
- separate rural and urban criteria would require extensive further work to identify a suitable definition for rural and urban areas (as an alternative to the currently used PCAs) which would be workable and practicable to measure for compliance purposes by Royal Mail and Ofcom; and
- we are seeking to deliver the optimal level of protection to postal users, whilst avoiding any unnecessary or disproportionate complexity.

Reasonable needs of those not covered by the 0.5 miles criterion

2.8 CF and an individual respondent raised concerns about how day to day consumer protection will be maintained, managed and monitored. In particular, they questioned how Royal Mail would meet its obligations in respect of those delivery points (up to 2%) not within 0.5 miles of a post box and sought greater clarity on acceptable mechanisms likely to meet the reasonable needs of users in those areas.

⁹ These criteria are set by Government.

¹⁰ See Annex 5 of *Regulation of the provision of post boxes – Consultation, 27 March 2013*: <http://stakeholders.ofcom.org.uk/binaries/consultations/provision-post/summary/condoc.pdf#page=31>

¹¹ A postcode area refers to the first letter(s) in a postcode, for example “SE” in the postcode of Ofcom’s address, SE1 9HA.

- 2.9 At present, Royal Mail has discretionary arrangements in place for delivery points that are not covered by the current access point criteria, including collection from private roadside letterboxes and consumers' homes by delivery men and women. We currently have no evidence to suggest that the steps taken by Royal Mail to meet the reasonable needs of users are inadequate and we do not anticipate any change to these in the short to medium term. However, we will review these arrangements as and when necessary should there be credible concerns that Royal Mail is not meeting the reasonable needs of users in respect of access arrangements for delivery points not covered by the new 98% criterion.

Protection in Northern Ireland

- 2.10 CF noted that the coverage maps published in our consultation document suggested that the majority of Northern Ireland (except Belfast, Londonderry and Portstewart) would not be covered by the proposed 0.5 miles criterion and would therefore be at the discretion of what Royal Mail considers to be "reasonable needs". However, while there is currently no regulatory protection in Northern Ireland, 93% of delivery points are currently within 0.5 miles of a post box and we have no evidence to suggest that Northern Irish consumers' needs are not being met at present.¹²
- 2.11 We will be monitoring Royal Mail's provision of post boxes by nation together with related customer complaints data. If we identify any significant compliance issues or credible concerns that Royal Mail is not meeting the reasonable needs of users in respect of access arrangements for delivery points not covered by the new 98% criterion in Northern Ireland, or any other nation, we would revisit the matter.
- 2.12 As highlighted in our consultation document, we consider a single UK-wide criterion to be more appropriate than nation-specific criteria as it will protect the highest number of addresses in the UK without obliging Royal Mail to install any additional unnecessary post boxes.

Wording of the DUSP condition

- 2.13 Royal Mail suggested that the wording of the proposed DUSP condition be modified further to recognise very rare instances where operationally Royal Mail cannot provide local arrangements. Royal Mail made two suggested amendments to the proposed wording of condition 1.8.2(b), which concerns those users whose premises are not within 0.5 miles of a post box:
- First, Royal Mail suggested that the requirement be changed from an obligation "*...the universal service provider shall provide...*" to a non-binding requirement "*...may consider what steps it may take...*"; and
 - Second, that in respect of the provision of access to the universal service sufficient to meet the reasonable needs of such users, "*operational*

¹² The current access point criteria only cover PCAs where the delivery point density is not less than 200 delivery points per square kilometre. They therefore exclude most rural areas, some cities in PCAs with low overall delivery point density and the whole of Northern Ireland which is a single PCA with relatively low average population density.

practicalities” should be taken into account in addition to the costs of providing access.¹³

- 2.14 We do not agree with Royal Mail’s first suggestion. We consider the suggestion that this part of the condition should be changed from a binding obligation (“shall provide”) to a non-binding commitment (“may consider”) to be inappropriate and unsuitable wording for a regulatory condition. The purpose of conditions is to impose obligations on Royal Mail that are capable of being monitored and (if necessary) enforced, not to set out optional possibilities which Royal Mail may or may not choose to consider.
- 2.15 However, we agree with Royal Mail’s second suggestion and have decided to accept the addition of the words “*and operational practicalities*” to the condition, as this reflects what currently happens across the UK and we have no evidence to suggest that the arrangements do not meet customers’ reasonable needs. We therefore consider this to be a suitable and proportionate modification to the wording of the condition.

Changes to the post box network

- 2.16 Three respondents (CF, the CWU and the LBSG¹⁴) raised concerns of significant changes – specifically cuts – being made to the post box network in the long term and called for additional safeguards to be put in place. These included proposals for the introduction of removal criteria as with BT phone boxes; agreeing to a minimum number of post boxes; and/or maintaining the current number of post boxes (115,500). As discussed in our consultation, we consider that such safeguards are not appropriate or proportionate as they would significantly increase the burden and complexity of regulation when there is currently no evidence of consumer harm in relation to the access points network or that the current network does not meet the reasonable needs of users. Currently, there is high satisfaction of postal users with very few customer complaints.¹⁵
- 2.17 CF also suggested that a consultative process should be developed for post box changes whereby Royal Mail would be required to notify local postal users of any imminent post box removals / relocations and allow them to make a case to Royal Mail for reversing the decision.
- 2.18 We agree that postal users should be made aware of potential changes to their local post box. However, we consider a voluntary initiative to be more appropriate at this stage, rather than direct regulatory intervention. We therefore encourage Royal Mail to liaise with CF to develop a suitable

¹³ RM’s proposed modifications to DUSP 1.8.2(b) follow in italics/underlined: “in the case of any users of the postal services whose premises are not within 0.5 miles (805 metres) of a letter box or other access point the universal service provider ~~shall~~may consider what steps it may take to provide, or procure the provision of, access to the universal service in a manner which sufficiently meets the reasonable needs of such users, having regard to the costs and operational practicalities of doing so.”

¹⁴ The LBSG – the Letter Box Study Group.

¹⁵ Research conducted as part of Ofcom’s review of postal users’ needs indicated that 92% of business and 89% of residential users were very or fairly satisfied with the location of post boxes in the area local to their business / in their local area. Relevant findings are summarised in Annex 5 of *Regulation of the provision of post boxes – Consultation, 27 March 2013*: <http://stakeholders.ofcom.org.uk/binaries/consultations/provision-post/summary/condoc.pdf#page=31>

process for notifying postal users of proposed changes to the network, for example placing a notice on post boxes that Royal Mail plans to remove.

Other issues

UK-wide versus PCA criteria

- 2.19 The CWU suggested that requiring an average level of post box density across the whole of the UK rather than at PCA level could lead to non-compliance being concentrated in certain PCAs while Royal Mail remained compliant with the proposed national access point criteria.
- 2.20 As mentioned previously, we are proposing to move away from the current system of differentiating between PCAs on the basis of delivery point density. PCAs vary greatly in terms of delivery point density and geographic size. Disaggregating the criteria by PCA would create a very complex system which we consider to be disproportionate given the lack of evidence to suggest the current network is not meeting the reasonable needs of users.

Straight line versus actual road distance

- 2.21 CF suggested that the proposed criteria should incorporate actual road distance rather than straight line distance, as the latter may not take account of topographical factors such as mountains, valleys or motorways.
- 2.22 The straight line methodology has worked under the current system for PCAs which it covers and the functionality to assess compliance is in place. We would expect Royal Mail to take a sensible approach towards the needs of postal users when considering the location of its post boxes.

Heritage post boxes

- 2.23 CVPHM¹⁶ and the LBSG both expressed concerns that Royal Mail is currently breaching heritage agreements. This issue is beyond the scope of our remit for regulatory intervention. However, we hope that Royal Mail would abide by any voluntary agreements it has in place (e.g. with English Heritage and Historic Scotland) and take the concerns expressed by CVPHM and the LBSG on board.

Our decision

- 2.24 In light of the responses to our consultation, we have decided to modify DUSP Condition 1 as proposed in our consultation subject to one minor modification to the proposed wording of the condition (see paragraph 2.15 above).
- 2.25 We consider that the modifications to the regulatory obligations on Royal Mail for the provision of post boxes satisfy the statutory tests set out in Schedule 6 for modifying regulatory conditions. In particular, the changes are:
- **Objectively justifiable** because the current regulatory condition does not adequately protect users of postal services, whereas our proposed modified condition will provide the highest level of protection for

¹⁶ CVPHM - Colne Valley Postal History Museum.

consumers which does not require Royal Mail to install any additional post boxes;

- ***Not unduly discriminatory*** because the modification necessarily applies to the universal service provider, and there is only one such universal service provider (Royal Mail) in the UK. In addition, our proposed criteria address appropriately the current imbalance in regulatory protection, in making sure that rural areas would now be mostly covered by the detailed criteria. They also ensure that regulatory requirements apply in relation to all users, including those living in remote areas;
- ***Proportionate*** because while we are increasing regulatory protection for postal users, the way we are proposing to do this does not impose any additional cost on Royal Mail, as it is already meeting the proposed modified condition. In addition, the criteria provide backstop protection for users while giving flexibility to Royal Mail to make changes to its post box network where necessary to meet the changing needs of users. We are also ensuring that Royal Mail is able to meet the needs of users living in more remote areas in a proportionate manner; and
- ***Transparent*** because it is clear what the new condition requires Royal Mail to do in relation to the provision of post boxes across the UK.

2.26 As noted in our consultation, we have not identified any issues with the current provision of post boxes. However, we will be monitoring Royal Mail's compliance with the new criteria, its ongoing provision of post boxes (including post box removal, relocation and installation figures by nation) and related customer complaints data.

Annex 1

List of respondents

A1.1 There were six respondents to our consultation – five organisations and one individual:

- Colne Valley Postal History Museum (CVPHM)
- Consumer Focus, now Consumer Futures (CF)
- The Communication Workers Union (the CWU)
- The Letter Box Study Group (the LBSG)
- Royal Mail
- One response from an individual

A1.2 All responses can be seen on our website.¹⁷

¹⁷ <http://stakeholders.ofcom.org.uk/consultations/provision-post-boxes/?showResponses=true>

Annex 2

Statutory notification: modification of DUSP condition 1

NOTIFICATION OF A DECISION TO MODIFY REGULATORY CONDITIONS IN ACCORDANCE WITH SECTION 36 OF, AND PARAGRAPH 3 OF SCHEDULE 6 TO, THE POSTAL SERVICES ACT 2011

BACKGROUND

- (A) On 27 March 2013, at Annex 7 to the consultation document entitled 'Regulation of the provision of post boxes: Consultation on a proposed modification to the current regulatory obligations on Royal Mail for the provision of post boxes (DUSP 1.8)', OFCOM published a notification in accordance with section 53 of, and paragraph 3(3) of Schedule 6 to, the Postal Services Act 2011 (the "**Act**") setting out their proposals to modify Designated USP condition 1 that was imposed on Royal Mail with effect from 1 April 2012 pursuant to their powers in section 36 of the Act (the "**First Notification**").
- (B) A copy of the First Notification was sent to the Secretary of State in accordance with paragraph 5(1)(a) of Schedule 6 to the Act.
- (C) In the First Notification (and the accompanying consultation document), OFCOM invited representations about the proposal set out therein by 1 May 2013.
- (D) By virtue of section 53 of, and paragraph 3(5) of Schedule 6 to, the Act OFCOM may give effect, with or without modifications, to a proposal with respect to which they have published a notification only if they—
 - (i) have considered every representation about the proposal that is made to them within the period specified in the First Notification; and
 - (ii) have had regard to every international obligation of the United Kingdom (if any) which has been notified to them for this purpose by the Secretary of State.
- (E) OFCOM received six responses to the First Notification and have considered every representation made to them in respect of the proposal set out in the First Notification (and the accompanying consultation document); and the Secretary of State has not notified OFCOM of any international obligation of the United Kingdom for this purpose.

DECISION

1. OFCOM hereby modify Designated USP condition 1 with effect from 13 June 2013, in accordance with section 36 of, and paragraph 3 of Schedule 6 to, the Act and pursuant to powers and duties in section 36 of the Act to make provision for matters set out in that section 36.

2. The modifications to Designated USP condition 1 are specified in the Schedule hereto.
3. The effect of, and OFCOM's reasons for making, this decision are set out in the accompanying explanatory statement.

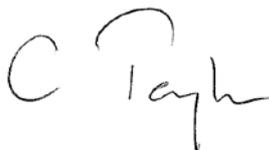
OFCOM'S DUTIES AND LEGAL TESTS

4. OFCOM is satisfied that this decision satisfies the general test in paragraph 1 of Schedule 6 to the Act.
5. In making this decision, OFCOM has considered and acted in accordance with its principal duty in section 29 of the Act and its general duties in section 3 of the Communications Act 2003.

INTERPRETATION

6. Except insofar as the context otherwise requires, words or expressions shall have the meaning assigned to them in this Notification and otherwise any word or expression shall have the same meaning as it has been ascribed for the purpose of Part 3 of the Act.
7. In this Notification—
 - (a) “**Act**” means the Postal Services Act 2011 (c.5); and
 - (b) “**First Notification**” has the meaning given to it in recital (A) above.
8. For the purpose of interpreting this Notification—
 - (a) headings and titles shall be disregarded;
 - (b) expressions cognate with those referred to in this Notification shall be construed accordingly;
 - (c) the Interpretation Act 1978 (c. 30) shall apply as if this Notification were an Act of Parliament.
9. The Schedule to this Notification shall form part of this Notification.
10. Unless otherwise is stated in that Schedule, this Notification shall take effect on 13 June 2013.

Signed by **Chris Taylor**



Consumer Policy Director

A person duly authorised by OFCOM under paragraph 18 of the Schedule to the Office of Communications Act 2002

13 June 2013

SCHEDULE

MODIFICATIONS TO DESIGNATED USP CONDITION 1.8

Modification	
1	In DUSP 1.8.1, omit the words “in a manner which meets the reasonable needs of <u>users</u> having regard to the costs of providing and servicing such <u>access points</u> ”.
2	<p>In DUSP 1.8.2:</p> <ul style="list-style-type: none"> - delete the words “The <u>universal service provider</u> shall be regarded as having met its obligations under DUSP 1.8.1 if” and replace with the words “In particular the <u>universal service provider</u> must ensure that”. - delete sub-paragraph (a) and replace with: <ul style="list-style-type: none"> “in the UK as a whole, the distribution of <u>letter boxes</u> is such that there is a <u>letter box</u> within half a mile (805 metres) of the premises of not less than 98% of <u>users</u> of <u>postal services</u>”; - renumber sub-paragraph (b) as (c); and - insert a new sub-paragraph (b), as follows: <ul style="list-style-type: none"> “in the case of any <u>users</u> of <u>postal services</u> whose premises are not within half a mile (805 metres) of a <u>letter box</u> or other <u>access point</u>, the <u>universal service provider</u> shall provide, or procure the provision of, access to the universal service in a manner which sufficiently meets the reasonable needs of such <u>users</u>, having regard to the costs and operational practicalities of doing so; and”.
3	In DUSP 1.8.3, in the cross-reference to DUSP 1.8.2(b), replace “(b)” with “(c)”.

Annex 3

Consolidated marked-up version

UNOFFICIAL CONSOLIDATED MARKED-UP VERSION OF THE
MODIFIED DESIGNATED USP CONDITION 1.8

This consolidated marked-up version of the modified Designated USP Condition 1.8 is provided as an aid to understanding but is not the legal instrument making the modification. In case of conflict, the modifications as set out in the Notification in Annex 2 take precedence.

- Deletions are marked in red struck-through text.
- Additions are marked in red.

EXTRACT OF DESIGNATED USP CONDITION 1
SERVICES, ACCESS POINTS, PERFORMANCE TARGETS, NOTIFICATION AND
PUBLICATION AND CONTINGENCY PLANNING1.8 Obligation to provide access points for the universal service

DUSP 1.8.1	Except as OFCOM may have directed otherwise, the <u>universal service provider</u> shall provide, or procure the provision of, <u>letter boxes</u> and other <u>access points</u> for the purpose of providing the universal postal services referred to in DUSP 1.6 in a manner which meets the reasonable needs of users having regard to the costs of providing and servicing such access points.
DUSP 1.8.2	<p>In particular the The <u>universal service provider</u> must ensure that shall be regarded as having met its obligations under DUSP 1.8.1 if –</p> <p>(a) in each postcode area where the delivery point density is not less than 200 delivery points per square kilometre, not less than 99% of users of postal services are within 500 metres of a letter box; in the UK as a whole, the distribution of <u>letter boxes</u> is such that there is a <u>letter box</u> within half a mile (805 metres) of the premises of not less than 98% of <u>users of postal services</u>;</p> <p>(b) in the case of any <u>users of postal services</u> whose premises are not within half a mile (805 metres) of a <u>letter box</u> or other <u>access point</u>, the <u>universal service provider</u> shall provide, or procure the provision of, access to the universal service in a manner which sufficiently meets the reasonable needs of such <u>users</u>, having regard to the costs and operational practicalities of doing so; and</p> <p>(c) (b) the distribution of <u>access points</u> capable of receiving the largest relevant <u>postal packets</u> and <u>registered items</u> is such that –</p> <ol style="list-style-type: none"> i. in the UK as a whole the premises of not less than 95% of <u>users of postal services</u> are within 5 kilometres of such an <u>access point</u>; and ii. in all <u>postcode areas</u> the premises of not less than 95% of <u>users of postal services</u> are within 10 kilometres of such an <u>access point</u>, and such <u>access</u>

	<u>points</u> are available to the public in accordance with conveniently published schedules.
DUSP 1.8.3	The <u>universal service provider</u> shall establish, maintain, and review annually a statement of arrangements to ensure that <u>users of postal services</u> whose premises are not within 10 kilometres of an <u>access point</u> provided pursuant to DUSP 1.8.2 (b) (c) will be provided with reasonable access to such facilities.
DUSP 1.8.4	The <u>universal service provider</u> shall establish, maintain and review annually a statement of arrangements to ensure that <u>users of postal services</u> who are <u>blind</u> , <u>partially sighted</u> , infirm through age, chronically sick, or disabled are able to post <u>postal packets</u> using the universal services regularly and as far as possible without significant cost to those <u>users</u> attributable to their difficulties.

Table of terms defined in the Act

This table is provided for information and does not form a part of this condition. We make no representations as to its accuracy or completeness. Please refer to the Act.

Defined term	Section of the Act
<i>access points</i>	29(11)
<i>OFCOM</i>	90
<i>postal packet</i>	27(2)
<i>universal service provider</i>	65(1) and Schedule 9 paragraph 3(3)
<i>user</i>	65(1)

Annex 4

Consolidated clean version of DUSP 1

UNOFFICIAL CONSOLIDATED CLEAN VERSION OF THE MODIFIED DESIGNATED USP CONDITION 1

This consolidated clean version of the modified Designated USP Condition 1 is provided as an aid to understanding but is not the proposed legal instrument. In case of conflict, the modifications as set out in the Notification in Annex 2 take precedence.

DESIGNATED USP CONDITION 1 SERVICES, ACCESS POINTS, PERFORMANCE TARGETS, NOTIFICATION AND PUBLICATION AND CONTINGENCY PLANNING

1.1. Application, definitions and interpretation

DUSP 1.1.1	This Designated USP condition (“ DUSP Condition ”) shall apply to the <u>universal service provider</u> .
DUSP 1.1.2	<p>In this DUSP Condition—</p> <p>(a) “Act” means the Postal Services Act 2011 (c.5);</p> <p>(b) “actual routing time” means the period in <u>working days</u> between the <u>deemed date of collection</u> of a <u>postal packet</u> and the <u>deemed delivery date</u> of that packet;</p> <p>(c) “appointed date” means 1 October 2011;</p> <p>(d) “appropriate testing methodology” means a testing methodology which is :</p> <ul style="list-style-type: none"> i. representative of the range of services and customers for whom these performance targets are relevant; ii. capable of providing results with measurable statistical significance; and iii. compliant with Article 16 of the <u>Directive</u>; <p>with reference where relevant to harmonised standards adopted under Article 20 of the <u>Directive</u>¹⁸.</p> <p>(e) “blind” means registered as blind under the provisions of the National Assistance Act 1948;</p> <p>(f) “Certificate of Posting” means a document issued or validated by a <u>post office</u> affirming that a <u>postal packet</u> has been deposited for conveyance;</p> <p>(g) “Christmas period” means the period commencing on the first</p>

¹⁸See CEN EN 13850:2002+A1:2007 *Postal services - Quality of service - Measurement of the transit time of end-to-end services for single piece priority mail and first class mail*.

	<p>Monday in December in any year and ending at the start of the first <u>working day</u> after the New Year <u>public holiday</u> in the following year or, in Scotland, at the start of the first <u>working day</u> after the Scottish New Year <u>public holiday</u> in the following year;</p> <p>(h) “Council” means the National Consumer Council established by s.1 of the Consumers, Estate Agents and Redress Act 2007;</p> <p>(i) “deemed date of collection” has the meaning given in DUSP 1.2.1(b);</p> <p>(j) “deemed delivered”, in relation to a performance target applicable to a <u>postal packet</u>, means any of— (i) delivered or attempted to be delivered to the address given on the <u>postal packet</u>; (ii) delivered to a person named as the addressee on the <u>postal packet</u>; or (iii) delivered to an alternative delivery point approved by <u>OFCOM</u>.</p> <p>(k) “deemed delivery date” means the earlier of - (i) the date upon which a <u>postal packet</u> is delivered to the address given on the <u>postal packet</u>; (ii) the date upon which a <u>postal packet</u> is delivered to a person named as the addressee on the <u>postal packet</u>; (iii) the date upon which a <u>postal packet</u> is delivered to an alternative delivery point requested by the addressee or approved by <u>OFCOM</u>; (iv) the date upon which an unsuccessful attempt is made to deliver the <u>postal packet</u> in accordance with (i), (ii) or (iii) and the <u>universal service provider</u> offers the addressee a choice of redelivery within a reasonable period and an opportunity to collect the <u>postal packet</u> from any of the following places— o a <u>post office</u>; o a <u>delivery office</u>; or o another collection point approved by <u>OFCOM</u> for the purposes of this paragraph.</p> <p>(l) “delivery office” means an office managed by the <u>universal service provider</u> for the purposes of processing <u>postal packets</u> immediately prior to the activity of delivery to the addressee.</p> <p>(m) “Directive” means <i>Directive 97/67/EC of the European Parliament and of the Council on common rules for the development for the development of the internal market of Community postal services and the improvement of quality of service, as amended by Directive 2002/39/EC of the European Parliament and of the Council of 10 June 2001, Regulation (EC) No 1882/2003 of the European Parliament and of the Council of 29 September 2003 and Directive 2008/6/EC of the European Parliament and of the Council of 20 February 2008</i>;</p> <p>(n) “domestic”, in relation to a <u>postal service</u>, means the service is for the conveyance of <u>postal packets</u> from <u>access points</u> in the United Kingdom to addresses in the United Kingdom.</p> <p>(o) “EU office of exchange” means a facility for— (i) the collection by a <u>universal service provider</u> of <u>postal packets</u></p>
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	<p>originating from a country within the European Union other than the United Kingdom, for onward conveyance and delivery within the United Kingdom; or</p> <p>(ii) the deposit by a <u>universal service provider</u> of <u>postal packets</u> originating from the United Kingdom, for onward conveyance and delivery to a country within the European Union other than the United Kingdom;</p> <p>(p) “eligible items” means</p> <p>(i) books, papers and <u>letters</u> which are prepared for use by <u>blind</u> or <u>partially sighted</u> people,</p> <p>(ii) papers sent to anyone to be prepared or impressed so <u>blind</u> or <u>partially sighted</u> people can use them,</p> <p>(iii) relief maps, machines, frames and attachments for making impressions for <u>blind</u> or <u>partially sighted</u> people to use,</p> <p>(iv) writing frames and attachments for <u>blind</u> or <u>partially sighted</u> people to use,</p> <p>(v) Braille instruction manuals,</p> <p>(vi) games (including card games) for <u>blind</u> or <u>partially sighted</u> people,</p> <p>(vii) mathematical appliances and attachments for <u>blind</u> or <u>partially sighted</u> people,</p> <p>(viii) recordings of readings from printed sources, such as books, journals, newspapers, periodicals or similar publications,</p> <p>(ix) equipment used to play such recordings,</p> <p>(x) metal plates impressed or sent for impressing for use by <u>blind</u> or <u>partially sighted</u> people,</p> <p>(xi) supplies of covers, envelopes and labels for sending articles for use by <u>blind</u> or <u>partially sighted</u> people,</p> <p>(xii) watches, clocks, timers, tools and measuring equipment designed for <u>blind</u> or <u>partially sighted</u> people to use,</p> <p>(xiii) walking sticks adapted for <u>blind</u> or <u>partially sighted</u> people,</p> <p>(xiv) harnesses for guide dogs; and</p> <p>(xv) computer disks and CDs which are prepared for <u>blind</u> or <u>partially sighted</u> people;</p> <p>(q) “insured item” means a <u>postal packet</u> the value of which has been declared to a <u>universal service provider</u> and of which, in the event of its theft or loss or damage in the course of its conveyance by post, the <u>universal service provider</u> has agreed to pay to the sender the declared value or such lesser sum as is consistent with the provision of the service at affordable prices;</p> <p>(r) “latest delivery time” means, for each UK address, the time expressed in minutes past an hour by which the <u>universal service provider</u> endeavours to make a delivery every <u>working day</u> in accordance with the <u>universal service provider</u>'s classification, as at 1 December 2005, of addresses as either "urban" or "rural";</p> <p>(s) “letter box” includes any pillar box, wall box, or other box or receptacle provided by a <u>postal operator</u> for the purpose of receiving <u>postal packets</u>, or any class of <u>postal packets</u> for onwards conveyance by post;</p> <p>(t) “meter” means a method of evidencing payment for <u>postal services</u> provided by a <u>universal service provider</u> which involve the conveyance</p>
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	<p>of a <u>postal packet</u>, through which the sender having paid in advance for postage applies an impression to a visible surface of the <u>postal packet</u> using a franking machine licensed by the <u>universal service provider</u>;</p> <p>(u) “partially sighted” means certified by an ophthalmologist, doctor or ophthalmic optician as having vision which cannot be improved using optical aids (including magnifiers) or additional illumination to allow 12 point sized print to be read at a comfortable reading distance;</p> <p>(v) “post office” means any premises or vehicle in the United Kingdom from which <u>postal services</u> are provided directly to the public;</p> <p>(w) “postcode area” means a geographical area indicated by the letters preceding the first number in the code, as the code is set out in the <u>postcode address file</u>;</p> <p>(x) “postcode address file” has the meaning given in s.116(3) Postal Services Act 2000;</p> <p>(y) “postcode district” means a geographical area indicated by the (alphabetical) letters and numbers in a postcode preceding the space in the code, as the code is set out in the <u>postcode address file</u>.</p> <p>(z) “proof of delivery” means a copy of a signature, or other evidence from the recipient in confirmation of receipt, obtained on <u>delivery</u> of a <u>postal packet</u>;</p> <p>(aa) “public holiday” includes, in relation to a particular territory, any day in relation to which <u>OFCOM</u> has by direction stated that exceptional circumstances require it to be treated as a public holiday;</p> <p>(bb) “registered item” means a <u>postal packet</u> which has been registered with the <u>universal service provider</u> in connection with its conveyance by post and for which an amount determined by the <u>universal service provider</u> is payable to the sender in the event of theft or loss of or damage to it in the course of its conveyance by post;</p> <p>(cc) “ROW office of exchange” means a facility for—</p> <ol style="list-style-type: none"> (i) the collection by a <u>universal service provider</u> of <u>postal packets</u> originating from a country outside the European Union, for onward conveyance and delivery within the United Kingdom; or (ii) the deposit by a <u>universal service provider</u> of <u>postal packets</u> originating from the United Kingdom, for onward conveyance and delivery to a country outside the European Union. <p>(dd) “Royal Mail” means Royal Mail Group Limited, whose registered company number in England and Wales is 04138203;</p> <p>(ee) “single piece service” means a <u>postal service</u> for a conveyance of an individual <u>postal packet</u> to the addressee, whose price per <u>postal packet</u> is not subject to any discounts related to—</p> <ol style="list-style-type: none"> (i) the number of <u>postal packets</u> sent in connection with the person who paid for the service;
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	<p>(ii) the positioning or formatting of text on the <u>postal packet</u>;</p> <p>(iii) the use of markings which facilitate the use of machines to sort <u>postal packets</u>;</p> <p>(iv) presortation into geographical areas for delivery; or</p> <p>(v) the purchase of any other conveyance of the same or any other <u>postal packet</u>.</p> <p>(ff) “specified collection time” means, in relation to an <u>access point</u> used in the provision of a service set out in Condition DUSP 1.4, that period of time within which the <u>universal service provider</u> endeavours to make a collection every <u>working day</u> in accordance with the <u>universal service provider</u>’s classification of such <u>access points</u> as at 1 December 2005 as either “commercial area”, “town/city area”, “rest of UK”, “deep rural”, “business box” or “Post Office branch”.</p> <p>(gg)“target routing time” means the target maximum time for conveying <u>postal packets</u> from the <u>access point</u> to the delivery point in the provision of a <u>postal service</u>;</p> <p>(hh)“tracking facility” means a facility enabling a sender to monitor the progress of a <u>postal packet</u> through the <u>postal network</u>;</p> <p>(ii) “USO” means products and/or services provided by <u>Royal Mail</u> for the purpose of complying with <u>Royal Mail</u>’s obligations imposed by any designated USP condition;</p> <p>(jj) “working day” means any day which is not a Sunday or a <u>public holiday</u>.</p>
<p>DUSP 1.1.3</p>	<p>For the purpose of interpreting this DUSP Condition—</p> <p>(a) except in so far as DUSP 1.1.2 or the context otherwise requires, any word or expression shall have the same meaning as it has been ascribed for the purpose of Part 3 of the <u>Act</u>;</p> <p>(b) headings and titles shall be disregarded;</p> <p>(c) expressions cognate with those referred to in this DUSP Condition shall be construed accordingly;</p> <p>(d) the Interpretation Act 1978 (c. 30) shall apply as if this DUSP Condition were an Act of Parliament;</p> <p>(e) references to a day are references to a period of twenty-four hours beginning with one midnight and ending with the next, which period shall be treated to include a Saturday, a Sunday and a <u>public holiday</u>;</p> <p>(f) save to the extent that the days concerned are <u>public holidays</u> in any event, the following shall be deemed to be directions issued by <u>OFCOM</u> stating that exceptional circumstances require particular days to be treated as public holidays for the purposes of the definition of “public holiday” in this DUSP Condition:</p> <ul style="list-style-type: none"> • <i>Exceptions to Royal Mail’s universal service obligation – for 26 December 2009 in the UK, bank holidays on Saturdays in the</i>

	<i>UK, as local holidays in Northern Ireland and Scotland: a decision document (Postal Services Commission, October 2009).</i>
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1.2 Routing times and delivery

DUSP 1.2.1(a)	<p><u>Target routing times</u> and <u>actual routing times</u> are expressed using the formula “D + n”, where—</p> <ul style="list-style-type: none"> • “D” means the <u>deemed date of collection</u>; and • “n” means the number of <u>working days</u> between D and the delivery date, including the delivery date.
DUSP 1.2.1(b)	<p>“Deemed date of collection” means—</p> <p>(i) in the case of a <u>postal packet</u> deposited at an <u>access point</u> in the United Kingdom on a day on which no collection is required under DUSP 1.5, the next day on which a collection is required under DUSP 1.5;</p> <p>(ii)</p> <p style="padding-left: 20px;">(I) in the case of a <u>postal packet</u> deposited in the United Kingdom as described in subparagraph (II), the next day on which a collection is required under DUSP 1.5,</p> <p style="padding-left: 20px;">(II) subparagraph (I) applies where the <u>postal packet</u> is deposited at a letter box on which, or at a <u>post office</u> at which, a time for last collection is advertised, after the time for last collection on a day on which a collection is required under DUSP 1.5;</p> <p>(iii) in any other case where the <u>access point</u> is in the United Kingdom, the date of deposit;</p> <p>(iv) in the case of a <u>postal packet</u> deposited at an <u>access point</u> outside the United Kingdom, after a last collection time notified in accordance with the rules of the country in question, the next day on which a collection is required under the rules of that country; and</p> <p>(iv) in any other case where the <u>access point</u> is outside the United Kingdom, the date of deposit.</p>
DUSP 1.2.1(c)	<p>Where, in relation to a <u>target routing time</u>, the formula as applied to the delivery of a particular <u>postal packet</u> results in delivery being required—</p> <p>(i) in the UK, on a day on which a delivery is not required by DUSP 1.4.1 or DUSP 1.4.2 (as the case may be); or</p> <p>(ii) outside the UK, on a day on which under the rules of the territory of delivery no delivery is required;</p> <p>compliance with the <u>routing time</u> requirement shall be achieved if delivery is effected on the next day on which a delivery is required.</p>

<p>DUSP 1.2.2</p>	<p>Where a service required by this DUSP condition requires delivery of a <u>postal packet</u>, delivery shall be effected if—</p> <p>(a) the <u>postal packet</u> has been delivered to the postal address marked on the <u>postal packet</u>;</p> <p>(b) the <u>postal packet</u> has been delivered to a person named as an addressee on the <u>postal packet</u>;</p> <p>(c) the <u>postal packet</u> has been delivered to another delivery point requested by the addressee or approved by <u>OFCOM</u> for the purposes of this paragraph; or</p> <p>(d) an unsuccessful attempt has been made to deliver the <u>postal packet</u> in accordance with sub-paragraphs (a), (b), or (c) and a <u>universal service provider</u> offers the addressee a choice of redelivery within a reasonable period and an opportunity to collect the <u>postal packet</u> from any of the following places—</p> <p style="padding-left: 40px;">(i) a <u>post office</u>;</p> <p style="padding-left: 40px;">(ii) a <u>delivery office</u>; or</p> <p style="padding-left: 40px;">(iii) another collection point approved by <u>OFCOM</u> for the purposes of this paragraph.</p>
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1.3 Exceptions

<p>DUSP 1.3.1</p>	<p>Nothing in this DUSP Condition requires the doing of anything in relation to a <u>postal packet</u>—</p> <p>(a) whose weight exceeds 20 kilograms;</p> <p>(b) whose dimensions fall outside the minimum and maximum dimensions laid down in the Convention and the Agreement concerning Postal Parcels adopted by the Universal Postal Union;</p> <p>(c) which contains an item which it is reasonable to exclude from carriage by post for reasons of potential harm to health, public security or compliance with law or other regulatory requirements; or</p> <p>(d) which does not comply with conditions reasonably imposed on an item's carriage by post for reasons of potential harm to health, public security or compliance with law or other regulatory requirements.</p>
<p>DUSP 1.3.2</p>	<p>The requirements in this DUSP Condition in respect of the delivery or collection of <u>postal packets</u> and the <u>target routing times</u> of services do not need to be met—</p> <p>(a) on any day which is (in the territory concerned) a <u>public holiday</u>; or</p> <p>(b) in such geographical conditions or other circumstances as <u>OFCOM</u> has by direction specified to be exceptional for the relevant purpose.</p>

DUSP 1.3.3	The requirements in this DUSP Condition in respect of the delivery of <u>postal packets</u> , the <u>target routing times</u> of services and any associated quality of service performance targets do not need to be met in relation to a particular address or delivery point, where the addressee has acquired one or more <u>postal services</u> in accordance with which <u>postal packets</u> for that addressee are to be delayed or diverted.
DUSP 1.3.4	Nothing in this DUSP Condition is to be read— (a) as requiring a service to continue without interruption, suspension or restriction in an emergency; or (b) as preventing individual agreements as to prices from being concluded with customers.
DUSP 1.3.5	The following directions shall be deemed to have been made under DUSP 1.3.2 until they expire or are revoked by <u>OFCOM</u> : <ul style="list-style-type: none"> • <i>Direction designating geographical conditions and other circumstances as exceptional for the purpose of deliveries</i> (Ofcom) 23 February 2012¹⁹ • <i>Exceptions to Royal Mail's Universal Collections Service - A Policy Document and Direction</i> (Postal Services Commission, October 2008)²⁰ • <i>Direction designating circumstances as exceptional for the purpose of collections</i>, Postal Services Commission, 5 October 2009²¹ • <i>Direction designating circumstances as exceptional for the purpose of deliveries</i>, Postal Services Commission, 5 October 2009²²

1.4 Obligation to provide deliveries

DUSP 1.4.1	Except as set out in DUSP 1.3, the <u>universal service provider</u> shall offer to provide at least one delivery of <u>letters</u> originating from anywhere in the world every Monday to Saturday— (a) to the home or premises of every individual or other person in the UK; and (b) to delivery points approved by <u>OFCOM</u> for the purposes of this Condition.
DUSP 1.4.2	Except as set out in DUSP 1.3, the <u>universal service provider</u> shall offer to provide at least one delivery of other <u>postal packets</u> originating from anywhere in the world every Monday to Friday— (a) to the home or premises of every individual or other person in the UK; and (b) to delivery points approved by <u>OFCOM</u> for the purposes of this paragraph.

¹⁹ Annex 1 in <http://stakeholders.ofcom.org.uk/consultations/direction-extension/direction/>.

²⁰ http://webarchive.nationalarchives.gov.uk/20081212184530/http://www.psc.gov.uk/postcomm/live/policy-and-consultations/consultations/universal-service--services-to-be-provided-exceptions/2008_10_01_Direction_Collections_letterpolicydirection_v1_0.pdf

²¹ <http://stakeholders.ofcom.org.uk/binaries/post/271.pdf>

²² *ibid*

DUSP 1.4.3	The following approval shall be deemed to have been given under DUSP 1.4.1(b) and DUSP 1.4.2(b) until it expires or is revoked by <u>OFCOM</u> : <ul style="list-style-type: none"> • <i>Approval of identifiable points for delivery of relevant postal packets (Ofcom) 23 February 2012²³</i>
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1.5. Obligation to provide collections

DUSP 1.5.1	Except as set out in DUSP 1.3, the <u>universal service provider</u> shall provide at least one collection— <p>(a) every Monday to Saturday, from public <u>access points</u> for <u>letters</u> for the services described in DUSP 1.4; and</p> <p>(b) every Monday to Friday, from public <u>access points</u> for other <u>postal packets</u> for the services described in DUSP 1.4.</p>
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1.6. Obligation to provide end-to-end services

	<i>End-to-end domestic services at affordable tariffs</i>
DUSP 1.6.1	Except as set out in DUSP 1.3, the <u>universal service provider</u> shall provide <u>postal services</u> meeting the following descriptions at affordable prices determined in accordance with a public tariff which is uniform throughout the United Kingdom, on fair and reasonable terms, every day on which a collection is required by DUSP 1.5. <ul style="list-style-type: none"> • <i>Priority service(s)</i>
DUSP 1.6.1(a)	One or more <u>domestic single piece services</u> for the conveyance of <u>postal packets</u> other than <u>insured items</u> , which— <p>(i) have a <u>target routing time</u> of D+1;</p> <p>(ii) are capable of purchase by postage stamp and by <u>meter</u> and may be capable of purchase by other reasonable methods;</p> <p>(iii) include provision of a <u>Certificate of Posting</u> on request where the <u>postal packet</u> is deposited at a <u>post office</u>;</p> <p>(iv) include provision of <u>proof of delivery</u> on application by the sender; and</p> <p>(v) do not include provision of a <u>tracking facility</u>.</p>
	<ul style="list-style-type: none"> • <i>Standard service(s)</i>
DUSP 1.6.1(b)	One or more <u>domestic single piece services</u> for the conveyance of <u>postal packets</u> other than <u>insured items</u> , which— <p>(i) have a <u>target routing time</u> of D+3;</p> <p>(ii) are capable of purchase by postage stamp and by <u>meter</u> and may be capable of purchase by other reasonable methods;</p> <p>(iii) include provision of a <u>Certificate of Posting</u> on request where the <u>postal packet</u> is deposited at a <u>post office</u>;</p>

²³ Annex 2 in <http://stakeholders.ofcom.org.uk/consultations/direction-extension/direction/>.

	<p>(iv) include provision of <u>proof of delivery</u> on application by the sender; and</p> <p>(v) do not include provision of a <u>tracking facility</u>.</p>
	<p>• Return to sender service(s)</p>
DUSP 1.6.1(c)	<p>One or more <u>domestic single piece services</u> for the conveyance of <u>postal packets</u> back to the <u>sender</u> within a reasonable period, where—</p> <p>(i) the <u>postal packet</u> has been conveyed in the provision of a universal postal service and delivery to the addressee named on the <u>postal packet</u> has not been effected;</p> <p>(ii) the <u>sender's</u> address is legibly marked on the <u>postal packet</u>; and</p> <p>(iii) the service may be paid for by reasonable methods;</p> <p>and for the purposes of this service, part (v) of the definition of “single piece service” shall read “the purchase of a conveyance of any other <u>postal packet</u>”.</p>
	<p>• Registered and insured service(s)</p>
DUSP 1.6.1(d)	<p>One or more <u>domestic single piece services</u> for the conveyance of <u>insured items</u> weighing no more than 10 kilograms and <u>registered items</u> weighing no more than 10 kilograms which—</p> <p>(i) have a <u>target routing time</u> of D+1;</p> <p>(ii) have a target delivery time of 1pm, except where this is not reasonably possible;</p> <p>(iii) include provision of a <u>tracking facility</u>;</p> <p>(iv) include provision of <u>proof of delivery</u> on application by the sender; and</p> <p>(v) are paid for in advance.</p>
DUSP 1.6.1(e)	<p>One or more <u>domestic single piece services</u> for the conveyance of—</p> <p>(i) <u>registered items</u> weighing more than 10 kilograms; and</p> <p>(ii) <u>insured items</u> weighing more than 10 kilograms;</p> <p>which convey the <u>postal packet</u> to the delivery point within a reasonable period.</p>
	<p>• End-to-end international services</p>
DUSP 1.6.1(f)	<p>One or more <u>single piece services</u> for the conveyance of <u>postal packets</u> to <u>EU offices of exchange</u>, where—</p> <p>(i) in relation to each country, the postal packet is conveyed to the <u>EU office of exchange</u> within a period that is—</p> <p style="padding-left: 40px;">(i) reasonable; and</p> <p style="padding-left: 40px;">(ii) compatible with the provision of an end-to-end service in which at least 85% of <u>postal packets</u> are <u>deemed delivered</u> in D + 3 and at least 97% of <u>postal packets</u> are <u>deemed delivered</u> in D + 5; and</p> <p>(ii) the service or services are capable of purchase by postage stamp</p>

	<p>and may be capable of purchase by other reasonable methods;</p> <p>(iii) the service or services include provision of a <u>Certificate of Posting</u> on request where the <u>postal packet</u> is deposited at a <u>post office</u>.</p> <p>The services must include one or more services for the conveyance of each of the following:</p> <ul style="list-style-type: none"> • <u>registered items</u>; • <u>insured items</u>.
DUSP 1.6.1(g)	<p>One or more <u>single piece services</u> for the conveyance of <u>postal packets</u> to <u>ROW offices of exchange</u> for onward delivery to each country of the world other than countries within the European Union, where—</p> <p>(i) in relation to each country, the <u>postal packet</u> is conveyed to the <u>ROW office of exchange</u> within a period that is—</p> <ol style="list-style-type: none"> (a) reasonable; and (b) compatible with a <u>target routing time</u> for the provision of the end-to-end service of D + 7; <p>(ii) the service or services are capable of purchase by postage stamp and may be capable of purchase by other reasonable methods; and</p> <p>(iii) the service or services include provision of a <u>Certificate of Posting</u> is provided where the <u>postal packet</u> is deposited at a <u>post office</u>.</p> <p>The services must include one or more services for the conveyance of each of the following:</p> <ul style="list-style-type: none"> • <u>registered items</u>; • <u>insured items</u>.
DUSP 1.6.1(h)	<p>One or more <u>single piece services</u> for the conveyance of <u>postal packets</u> to <u>ROW offices of exchange</u> for onward delivery to each country of the world other than countries within the European Union, where—</p> <p>(i) in relation to each country, the <u>postal packet</u> is conveyed to the <u>ROW office of exchange</u> within a period that is—</p> <ol style="list-style-type: none"> (a) reasonable; and (b) compatible with a <u>target routing time</u> for the provision of the end-to-end service of D + 72; <p>(ii) the service or services are capable of purchase by postage stamp and may be capable of purchase by other reasonable methods; and</p> <p>(iii) the service or services include provision of a <u>Certificate of Posting</u> is provided where the <u>postal packet</u> is deposited at a <u>post office</u>.</p> <p>The services must include one or more services for the conveyance of each of the following:</p> <ul style="list-style-type: none"> • <u>registered items</u>; • <u>insured items</u>.
DUSP 1.6.1(i)	<p>One or more <u>single piece services</u> for the onward conveyance and delivery within the United Kingdom of <u>postal packets</u> collected from <u>EU offices of exchange</u> for <u>postal packets</u> originating from each country within the</p>

	<p>European Union other than the United Kingdom, where in relation to each country, the <u>postal packet</u> is conveyed from the <u>EU office of exchange</u> to the delivery point within a period that is—</p> <p>(a) reasonable; and</p> <p>(b) compatible with the provision of an end-to-end service in which at least 85% of <u>postal packets</u> are <u>deemed delivered</u> in D + 3 and at least 97% of <u>postal packets</u> are <u>deemed delivered</u> in D + 5.</p>
DUSP 1.6.1(j)	<p>One or more <u>single piece services</u> for the onward conveyance and delivery within the United Kingdom of <u>postal packets</u> collected from <u>ROW offices of exchange</u>, where in relation to each country, the <u>postal packet</u> is conveyed from the <u>ROW office of exchange</u> to the delivery point within a reasonable period.</p>
	<i>Overseas operators</i>
DUSP 1.6.2	<p>The <u>universal service provider</u> shall use reasonable endeavours directly or indirectly to establish arrangements with <u>postal operators</u> in countries outside the United Kingdom for them to—</p> <p>(a) deliver to the <u>universal service provider</u> any <u>postal packets</u> posted from outside the United Kingdom for addressees in the United Kingdom; and</p> <p>(b) deliver to addressees within their country of operation any <u>postal packets</u> posted from inside the United Kingdom for addressees in their country of operation.</p>
	<i>End-to-end services to be provided free of charge</i>
DUSP 1.6.3	<p>Except as set out in DUSP 1.3, the <u>universal service provider</u> shall provide the following <u>postal services</u> free of charge throughout the United Kingdom, save as otherwise specified, and on fair and reasonable terms every day on which a collection is required by DUSP 1.5.</p>
	<ul style="list-style-type: none"> • <i>Legislative petitions and addresses</i>
DUSP 1.6.3(a)	<p>A <u>domestic postal service</u> for the conveyance of <u>legislative petitions and addresses</u> within a reasonable period.</p>
	<ul style="list-style-type: none"> • <i>Services for blind or partially sighted persons</i>
DUSP 1.6.3(b)	<p>A <u>domestic postal service</u> having a <u>target routing time</u> of D + 1, which conveys <u>eligible items</u> weighing up to 7 kilograms in aggregate per <u>postal packet</u>—</p> <p>(i) to <u>blind</u> or <u>partially sighted</u> persons;</p> <p>(ii) from <u>blind</u> or <u>partially sighted</u> persons; or</p> <p>(iii) from organisations representing <u>blind</u> people or providing a service specifically designed for <u>blind</u> or <u>partially sighted</u> persons.</p> <p>The service required does not include the conveyance of <u>insured items</u>.</p>

DUSP 1.6.3(c)	<p>The services described in DUSP 1.6.3(d) to (f) for the conveyance of <u>eligible items</u> to <u>EU offices of exchange</u> and <u>ROW offices of exchange</u> for onward conveyance to any country in the world other than the United Kingdom—</p> <p>(i) to <u>blind</u> or <u>partially sighted</u> persons;</p> <p>(ii) from <u>blind</u> or <u>partially sighted</u> persons; or</p> <p>(iii) from organisations representing <u>blind</u> people or providing a service specifically designed for <u>blind</u> or <u>partially sighted</u> persons.</p> <p>The services required do not include the conveyance of <u>insured items</u>.</p>
DUSP 1.6.3(d)	<p>One or more services for the conveyance of <u>postal packets</u> weighing no more than 7 kilograms, where the <u>postal packet</u> is conveyed to the <u>EU office of exchange</u> or the <u>ROW office of exchange</u> (as the case may be) within a period that is—</p> <p>(i) reasonable; and</p> <p>(ii) compatible with a <u>target routing time</u> for the provision of the end-to-end service of D + 72.</p>
DUSP 1.6.3(e)	<p>One or more services for the conveyance of <u>postal packets</u> weighing no more than 1 kilogram, where the <u>postal packet</u> is conveyed to the <u>EU office of exchange</u> or the <u>ROW office of exchange</u> (as the case may be) within a period that is—</p> <p>(i) reasonable; and</p> <p>(ii) compatible with a <u>target routing time</u> for the provision of the end-to-end service of D + 7.</p>
DUSP 1.6.3(f)	<p>One or more services for the conveyance of <u>postal packets</u> weighing more than 1 kilogram and up to 7 kilograms to any territory not listed in Annex 1 to this Condition, where the <u>postal packet</u> is conveyed to the <u>EU office of exchange</u> or the <u>ROW office of exchange</u> (as the case may be) within a period that is—</p> <p>(i) reasonable; and</p> <p>(ii) compatible with a <u>target routing time</u> for the provision of the end-to-end service of D + 7.</p> <p>A price may be charged by a <u>universal service provider</u> for the provision of a service falling within this DUSP 1.6.3(f) if the condition below is satisfied.</p> <p>The condition is that the price (“P”) for conveyance of the <u>postal packet</u> concerned were the <u>postal packet</u> to be conveyed in the provision of a service set out in DUSP 1.6.1(g) exceeds the price (“Q”) for conveyance of the <u>postal packet</u> were it to be conveyed in the provision of a service falling within DUSP 1.6.1(h).</p> <p>The price that may be charged in accordance with this is an amount not exceeding the difference between P and Q.</p>

1.7 Obligation to provide addressee services

DUSP 1.7.1	<p>Except as set out in DUSP 1.3, the <u>universal service provider</u> shall provide the following <u>postal services</u> to addressees at affordable prices determined in accordance with a public tariff which is uniform throughout the United Kingdom, on fair and reasonable terms, and shall be available for</p>
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	acquisition every <u>working day</u> .
	<ul style="list-style-type: none"> • Redirection services
DUSP 1.7.1(a)	<p>One or more services for addressees providing that during a specified reasonable period all <u>postal packets</u> addressed to a named individual should be conveyed to a postal address other than that marked on the <u>postal packet</u> (“the <u>redirection address</u>”) within a reasonable period, save that this service is not required-</p> <p>(i) where the <u>redirection address</u> is outside the United Kingdom and—</p> <ul style="list-style-type: none"> • the <u>postal packet</u> contains <u>registered items</u> or <u>insured items</u>; or • the <u>postal packet</u> exceeds 100 grams in weight, 240 millimetres in length, 165 millimetres in width or 25 millimetres in thickness. <p>(ii) in relation to <u>postal packets</u> to a particular addressee or from a particular sender or class of sender, where the provision of the service in relation to those <u>postal packets</u> would create a substantial risk of crime;</p> <p>(iii) where the address marked on the <u>postal packet</u> or the redirection address relates to premises in relation to which it is reasonable not to provide the service; or</p> <p>(iv) where the <u>redirection address</u> is a <u>delivery office</u> or a <u>post office</u>.</p>
	<ul style="list-style-type: none"> • Post restante services
DUSP 1.7.1(b)	<p>One or more free of charge services for addressees, which provide—</p> <p>(i) for the address of any specified <u>post office</u> in the UK to be used as an addressee’s postal address for a reasonable period, and</p> <p>(ii) for <u>postal packets</u> for that addressee to be held at that <u>post office</u> for a reasonable period for collection by the addressee, provided, in relation to any <u>post office</u>, that it is reasonable for the <u>post office</u> concerned to be used to provide the service.</p>
	<ul style="list-style-type: none"> • Retention services
DUSP 1.7.1(c)	<p>One or more services for addressees which provide for a delay for a specified reasonable period to the target delivery date otherwise applicable to any <u>postal packets</u>.</p>

1.8 Obligation to provide access points for the universal service

DUSP 1.8.1	<p>Except as <u>OFCOM</u> may have directed otherwise, the <u>universal service provider</u> shall provide, or procure the provision of, <u>letter boxes</u> and other <u>access points</u> for the purpose of providing the universal postal services referred to in DUSP 1.6.</p>
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<p>DUSP 1.8.2</p>	<p>In particular the <u>universal service provider</u> must ensure that –</p> <ul style="list-style-type: none"> (a) in the UK as a whole, the distribution of <u>letter boxes</u> is such that there is a <u>letter box</u> within half a mile (805 metres) of the premises of not less than 98% of <u>users of postal services</u>; (b) in the case of any <u>users of postal services</u> whose premises are not within half a mile (805 metres) of a <u>letter box</u> or other <u>access point</u>, the <u>universal service provider</u> shall provide, or procure the provision of, access to the universal service in a manner which sufficiently meets the reasonable needs of such <u>users</u>, having regard to the costs and operational practicalities of doing so; and (c) the distribution of <u>access points</u> capable of receiving the largest relevant <u>postal packets</u> and <u>registered items</u> is such that – <ul style="list-style-type: none"> i. in the UK as a whole the premises of not less than 95% of <u>users of postal services</u> are within 5 kilometres of such an <u>access point</u>; and ii. in all <u>postcode areas</u> the premises of not less than 95% of <u>users of postal services</u> are within 10 kilometres of such an <u>access point</u>, and such <u>access points</u> are available to the public in accordance with conveniently published schedules.
<p>DUSP 1.8.3</p>	<p>The <u>universal service provider</u> shall establish, maintain, and review annually a statement of arrangements to ensure that <u>users of postal services</u> whose premises are not within 10 kilometres of an <u>access point</u> provided pursuant to DUSP 1.8.2(c) will be provided with reasonable access to such facilities.</p>
<p>DUSP 1.8.4</p>	<p>The <u>universal service provider</u> shall establish, maintain and review annually a statement of arrangements to ensure that <u>users of postal services</u> who are <u>blind</u>, <u>partially sighted</u>, infirm through age, chronically sick, or disabled are able to post <u>postal packets</u> using the universal services regularly and as far as possible without significant cost to those <u>users</u> attributable to their difficulties.</p>

1.9 Obligation to meet performance targets

<p>DUSP 1.9.1</p>	<p>The <u>universal service provider</u> shall meet the performance targets set out in Table 1 and in Table 2 for the <u>universal services</u> included in that Table, measured on average in the United Kingdom as a whole throughout the periods of 12 months ending on 31 March in each year, excluding the <u>Christmas period</u>.</p>
<p>DUSP 1.9.2</p>	<p>The <u>universal service provider</u> shall monitor or procure the monitoring of its performance in relation to the standards set out in Table 1 using an <u>appropriate testing methodology</u>.</p>
<p>DUSP 1.9.3</p>	<p>The <u>universal service provider</u> shall subject its monitoring to review annually as set out in Table 1, where:</p> <ul style="list-style-type: none"> (a) Method A means the <u>universal service provider</u> shall appoint an independent person to test and give an opinion on the suitability of the methodology used; and (b) Method B means the <u>universal service provider</u> shall permit and cooperate with audit of its monitoring by persons appointed by <u>OFCOM</u> with the agreement of the <u>universal service provider</u>, which shall not be unreasonably withheld.

<p>DUSP 1.9.4</p>	<p>The <u>universal service provider</u> shall monitor or procure the monitoring of its performance in relation to the D+3 standard set out in Table 2 for USO outgoing European Union services using an <u>appropriate testing methodology</u>.</p>
<p>DUSP 1.9.5</p>	<p>Where a standard in Table 1 or Table 2 is expressed by reference to <u>deemed delivery</u>, this shall entail no obligation to monitor separately each one of the ways in which <u>deemed delivery</u> may be achieved.</p>
<p>DUSP 1.9.6</p>	<p>The <u>universal service provider</u> shall at all times maintain and comply with a code of practice for identifying the incidence of, and addressing the causes of, significant failure to meet the performance targets in relation to any <u>postcode districts</u> within a <u>postcode area</u> in which the performance targets overall are met.</p>

Table 1 – domestic standards, performance targets and monitoring

USO	Standard	Performance target (%)	Review of monitoring method
Deliveries			
DUSP 1.4.1 and 1.4.2	Delivery routes completed each day upon which a delivery is required by DUSP 1.4.1 and DUSP 1.4.2.	99.90	A
	<u>Postal packets deemed delivered</u> in the UK in the provision of the universal service.	99.50	B
DUSP 1.10.2	Deliveries made every day upon which a delivery is required by DUSP 1.4.1 and DUSP 1.4.2, by the latest delivery time notified to <u>OFCOM</u> in accordance with DUSP 1.10.2.	N/A	B
Collections			
DUSP 1.5	Public <u>access points</u> used in the provision of any <u>postal service</u> provided pursuant to DUSP 1.6, served each day upon which a collection is required by DUSP 1.5.	99.90	A
DUSP 1.5 and 1.10.2	Collections made every day upon which a collection is required by DUSP 1.5 from <u>letter boxes</u> and other public <u>access points</u> used in the provision of any <u>domestic service</u> provided pursuant to DUSP 1.6, at or after the final time of collection advertised on the <u>access point</u> .	N/A	A
Domestic end-to-end services			
DUSP 1.6.1(a)	USO priority services: <u>deemed delivered</u> with an <u>actual routing time</u> of D+1.	93.0	B
DUSP 1.6.1(a)	USO priority services purchased by postage stamp and by <u>meter</u> : <u>deemed delivered</u> with an <u>actual routing time</u> of D+1 in each <u>postcode area</u> apart from HS, KW and ZE.	91.5	B
DUSP 1.6.1(a)	USO priority services purchased by postage stamp and by <u>meter</u> : <u>deemed delivered</u> with an <u>actual routing time</u> of D+1 in each of the <u>postcode areas</u> HS, KW and ZE.	N/A	B
DUSP 1.6.1(b)	USO standard services for <u>postal packets</u> weighing up to 1kg: <u>deemed delivered</u> with an <u>actual routing time</u> of D+3.	98.5	B
DUSP 1.6.1(b)	USO standard services for <u>postal packets</u> weighing more than 1kg: <u>deemed delivered</u> with an <u>actual routing time</u> of D+3.	90.0	B

DUSP 1.6.1(d)	USO registered and insured services for postal packets weighing no more than 10 kilograms: <u>deemed delivered with an actual routing time</u> as specified in accordance with DUSP 1.6.1(d).	99.0	A
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Table 2 – EU standards and performance targets

USO	Standard	Performance target (%)
DUSP 1.6.1(g)	USO incoming European Union services <u>deemed delivered</u> with an <u>actual routing time</u> of D+3.	85
DUSP 1.6.1(g)	USO incoming European Union services <u>deemed delivered</u> with an <u>actual routing time</u> of D+5.	97
DUSP 1.6.1(f)	USO outgoing European Union services <u>deemed delivered</u> with an <u>actual routing time</u> of D+3.	85
DUSP 1.6.1(f)	USO outgoing European Union services <u>deemed delivered</u> with an <u>actual routing time</u> of D+5.	97

1.10 Obligation to notify and publish information

DUSP 1.10.1	The <u>universal service provider</u> shall notify <u>OFCOM</u> and the <u>Council</u> of, and publish in such a manner as will ensure reasonable publicity for it – (a) the brand names of the services it provides with a view to meeting its obligations under DUSP 1.6 and 1.7; (b) the terms and conditions of those services (including prices); and (c) any proposed change to the information in (a) and (b), at least one month in advance of the date on which it is to be implemented.
DUSP 1.10.2	The <u>universal service provider</u> shall notify <u>OFCOM</u> and the <u>Council</u> of, and publish in such a manner as will ensure reasonable publicity for it – (a) the <u>latest delivery times</u> for the United Kingdom and the <u>specified collection times</u> ; (b) any changes it intends to make to its <u>latest delivery times</u> and its <u>specified collection times</u> not less than three months prior to the change being made; and (c) every re-classification of addresses that will result in the <u>latest delivery time</u> of an address becoming later and of every re-classification of <u>access points</u> that will result in an <u>access point's specified collection time</u> starting earlier, within one month of such a change.
DUSP 1.10.3	The <u>universal service provider</u> shall publish its <u>latest delivery times</u> and its <u>specified collection times</u> and shall ensure any changes to them are published within one month of the change in such a manner as will ensure reasonable publicity for them.
DUSP 1.10.4	The <u>universal service provider</u> shall publish, in such a manner as will ensure reasonable publicity for them, its statement of arrangements under DUSP 1.8.3 (access arrangements for premises more than 10 km from access points) and DUSP 1.8.4 (access arrangements for those facing mobility challenges).
DUSP 1.10.5	The <u>universal service provider</u> shall notify <u>OFCOM</u> and the <u>Council</u> and publish, no later than two months from the end of each quarter, its

	performance for that quarter in relation to - (a) all the standards in Table 1; and (b) the D+3 standard for European Union outgoing services.
DUSP 1.10.6	The <u>universal service provider</u> shall notify <u>OFCOM</u> and the <u>Council</u> and publish in such a manner as will ensure reasonable publicity for it, no later than two months from the end of each <u>Christmas period</u> , its performance during that <u>Christmas period</u> in relation to - (a) the D+3 standard for European Union outgoing services; and (b) all the standards in Table 1 apart from - (i) deliveries made every <u>working day</u> by the latest delivery time notified to <u>OFCOM</u> in accordance with DUSP 1.10.2; and (ii) collections made each <u>working day</u> from <u>letter boxes</u> and other <u>access points</u> used in the provision of any <u>domestic service</u> provided pursuant to DUSP 1.6, at or after the final time of collection advertised on the <u>access point</u> .
DUSP 1.10.7	The <u>universal service provider</u> shall notify <u>OFCOM</u> and the <u>Council</u> and publish in such a manner as will ensure reasonable publicity for it, no later than three months from 31 March each year, its performance in relation to the following standards for the period of 12 months ending 31 March, (providing both adjusted and unadjusted results when appropriate ²⁴): (a) the D+3 standard for European Union outgoing services; and (b) all the standards in Table 1.
1.10.8	The <u>universal service provider</u> shall ensure that <u>OFCOM</u> and the <u>Council</u> are provided with up to date copies of the code of practice maintained in accordance with DUSP 1.9.6.

1.11 Obligation to maintain and review contingency plans

DUSP 1.11.1	The <u>universal service provider</u> shall at all times maintain appropriate contingency plans, which set out the measures to be taken by the <u>universal service provider</u> to ensure as far as practicable the provision of the services required by DUSP 1.4 to 1.7 without interruption, suspension or restriction of any service in the event, locally, regionally or nationally, of industrial action, an emergency or a natural disaster, and implement those plans, as appropriate, where such events occur.
DUSP 1.11.2	At least once every two years from the <u>appointed date</u> , the <u>universal service provider</u> must review and where appropriate, update or amend its contingency plans.

²⁴ E.g. to take account of a force majeure incident.

Annex 1

The countries are—

- Albania,
- Andorra,
- Armenia,
- Austria,
- Azerbaijan,
- Azores,
- Balearic Islands,
- Belarus,
- Belgium,
- Bosnia-Herzegovina,
- Bulgaria,
- Canary Islands,
- Corsica,
- Croatia,
- Cyprus,
- Czech Republic,
- Denmark,
- Estonia,
- F roe Islands,
- Finland,
- France,
- Georgia,
- Germany,
- Gibraltar,
- Greece,
- Greenland,
- Hungary,
- Iceland,
- Irish Republic,
- Italy,
- Kazakhstan,
- Kirghizstan,
- Kosovo
- Latvia,
- Liechtenstein,
- Lithuania,
- Luxembourg,
- Macedonia,
- Madeira,
- Malta,
- Moldova,
- Monaco,
- Montenegro,
- Netherlands,
- Norway,
- Poland,
- Portugal,
- Romania,
- Russia,
- San Marino,
- Serbia,
- Slovak Republic,
- Slovenia,
- Spain,
- Spitzbergen,
- Sweden,
- Switzerland,
- Tajikistan,
- Turkey,
- Turkmenistan,
- Ukraine,
- Uzbekistan,
- Vatican City State.

Table of terms defined in the Act

This table is provided for information and does not form a part of this condition. We make no representations as to its accuracy or completeness. Please refer to the Act.

Defined term	Section of the Act
<i>access points</i>	<i>29(11)</i>
<i>legislative petitions and addresses</i>	<i>32(2)</i>
<i>OFCOM</i>	<i>90</i>
<i>postal network</i>	<i>38(3)</i>
<i>postal operator</i>	<i>27(3)</i>
<i>postal packet</i>	<i>27(2)</i>
<i>universal service provider</i>	<i>65(1) and Schedule 9 paragraph 3(3)</i>
<i>user</i>	<i>65(1)</i>