

**Ofcom Proposal to retain the Postal Common
Operational Procedures (PCOP) Code of Practice
and the PCOP Agreement and the proposed
drafting of the revised condition 2**

BBC Licence Fee Unit Submission

1.1 Executive Summary

- The changes to PCOP code of practice and agreement may come some way to making it more relevant and fit for purpose.
- Postal operators should fund the Secretary to the PCOP Agreement.
- The PCOP code of practice should not apply to access operators or intermediaries, as they have their own procedures and agreements in place with Royal Mail.
- It is for operators to decide how they apply PCOP to mail outside the scope of PCOP.
- For postal operators to meet their contractual arrangements with clients, they would need to have sufficient personnel properly trained to handle complaints or other enquiries.

2.1 Introduction

2.1.1 The BBC Licence Fee Unit welcomes the opportunity to submit evidence to the Ofcom's Proposal to retain the Postal Common Operational Procedures (PCOP) Code of Practice and the PCOP Agreement and the proposed drafting of the revised condition 2.

2.1.2 The BBC contracts with a number of companies to administer the television licensing system (together with the BBC Licence Fee Unit Management Team these companies are known publicly as TV Licensing). The BBC Licence Fee Unit sits within the BBC Finance and Business Division, and ultimately reports to the BBC Executive Board. The BBC is governed by the BBC Trust which represents the interests of licence fee payers and approves the overall strategy.

2.1.3 TV Licensing inform people of the need to buy a TV licence. TV Licensing send licence renewal letters and we process queries, applications and payments. TV Licensing also maintain a database of licensed and unlicensed addresses in the UK and use this data to identify and visit people who are believed to be using a TV receiver without a valid licence.

2.1.4 The BBC Licence Fee Unit uses the UK postal system: Access and Royal Mail Retail, to communicate with consumers. The BBC Licence Fee Unit mails approximately 55m communications each year. This mail is classified as transactional mail.

2.1.5 The BBC Licence Fee Unit is obligated to drive efficiencies regarding postal costs to the business on behalf of all licence fee payers. The BBC Licence Fee Unit constantly seek to evidence commitment to reducing costs and to continuously evaluate and deliver value to the British public.

3.1 Issues raised in Ofcom's Proposal to retain the Postal Common Operational Procedures (PCOP) Code of Practice and the PCOP Agreement and the proposed drafting of the revised condition 2

1. Question 1: Do you agree with our proposal to retain the PCOP Code of Practice and the PCOP Agreement and the proposed drafting of the revised condition, as set out

In the Ofcom Review of the Regulation of Royal Mail Consultation 2016, we supported Ofcom's proposed revisions to Consumer Protection 2, including the removal of the PCOP code and agreement, for the following reasons:

- The current consumer protection 2 and the PCOP code and agreement are no longer relevant.
- Mis-directed and mis-collected mail comes from letters and large letters and with the demise of Whistl e2e service that mail would be within the Royal Mail network and delivered by Royal Mail.
- Royal Mail and DSA operators have contractual arrangements in place for the repatriation of mail as do Royal Mail and document exchange businesses such as DX.
- Given the nature of the postal market and the dynamics of e2e delivery the only operator who should be tasked with mail repatriation is Royal Mail.

The proposed changes to PCOP code of practice and agreement may come some way to making it more relevant and fit for purpose. With regard to the changes proposed in condition 2, we have the following comments:

- "To delete the requirement for the costs of the postal operator who acts as the Secretary to the PCOP Agreement to be reimbursed by Ofcom."
 - We fully support this. Postal operators should fund the Secretary to the PCOP Agreement.
- "To delete reference to the application of the PCOP Code of Practice to access operators and intermediaries"
 - We fully support this. The PCOP code of practice should not apply to access operators or intermediaries, as they have their own procedures and agreements in place with Royal Mail.
- "To delete reference to the voluntary application of the PCOP Code of Practice to other types of mail"
 - We fully support this. It is for operators to decide how they apply PCOP to mail outside the scope of PCOP.
- "To remove the requirement for relevant postal operators to take all reasonable steps to ensure they have sufficient personnel properly trained to handle complaints or other enquiries which relate to misdirected letters or mis-collected letters for which they are not the intended operator."
 - We fully support this. For postal operators to meet their contractual arrangements with clients, they would need to have sufficient personnel properly trained to handle complaints or other enquiries.