

1. Post Office and its goals

To many, Post Office is synonymous with the universal postal service. It is the only place where anyone and everyone in the United Kingdom can access universal postal services and, as such, Post Office has unique experience of dealing face-to-face with consumers of postal services in the UK. We serve over 10 million customers a week in c11,500 Post Offices, and the majority of transactions over the counter are letter and parcels transactions.

Taking into account the growth in e-commerce parcels and the decline in letters, Post Office wants to see a regulatory regime that: ensures the provision of an affordable universal postal service which meets the evolving needs of consumers and small businesses; supports the maintenance of the nationwide Post Office network which is indispensable to the provision of the universal postal service; benefits consumers and promotes fair competition.

We believe that:

- Customers must be placed at the heart of how the USO operates;
- The regulations should lead to a better customer experience and greater customer choice;
- Universal services must be universally available at a uniform and universal price;
- Particular attention should be paid to ensure that those most disadvantaged and vulnerable in our society are able to access services at the same price and on the same conditions as everyone else whether they buy them in a Post Office or online;
- The purpose of the USO is to ensure that a core set of postal services are made available for use by the public, particularly in instances where the market may not satisfy those needs;
- Technological advances, such as tracking, should be available to all customers throughout the United Kingdom as part of a basic, but modern, postal service.
- The expected acceleration in the growth of multi-operator PUDO (pick-up, drop-off) services will lead to interoperability issues, with parcels entering the wrong network, and the regulatory framework should clarify when intervention will be appropriate in the absence of a voluntary arrangement among operators.

2. Executive summary

Post Office and Postmasters play a crucial role in support of the delivery of the universal postal service throughout the United Kingdom. The regulatory arrangements applied to postal services should not undermine the sustainability of these operations.

Post Office accepts that the broad structure of the regulatory framework remains appropriate and its continuation will provide stability to the market. Post Office,

though not a postal or parcel operator itself, also broadly supports the guidance and regulatory condition proposals relating to parcel operators, as these will improve the position of customers. However, Post Office wishes to highlight three areas where the regulatory framework could be altered or enhanced to better protect and serve customers.

First, the framework should address the accelerating widening of the digital divide for postal service, which disproportionately affects vulnerable customers. The regulatory framework could achieve this by ensuring that universal services are available to all customers on the same terms and at the same prices, irrespective of whether they are purchased online, in a Post Office branch or in another physical outlet. Ofcom does not address this important point in its proposals.

Second, tracking should be a permitted feature of the standard services within the Universal Service. Tracking is now a widely accepted feature of parcels services but many customers, particularly in parts of Scotland and Northern Ireland, have access to tracked services only through paying for a Special Delivery service or paying a surcharge to another operator¹. Post Office has evidence, which supports Ofcom's own evidence, that tracking is a feature valued by consumers. However, in Ofcom's proposals, applying VAT to standard Royal Mail services with a tracking feature to address the potential impact on Royal Mail's competitors is being given an unduly high priority, to the clear detriment of consumers' needs throughout the United Kingdom. Post Office believes that this 'binary' approach risks doing a disservice to many customers and that allowing tracking within the Universal Service, while mitigating the possible distortion of competition, is a preferable approach from a customer perspective.

Third, as the growth in multi-operator drop-off services at PUDO outlets continues, Ofcom should indicate clearly when it will be prepared to protect customers and take action if misrouted parcels are not being handled appropriately by parcels operators.

3. Responses to Ofcom consultation questions

Question 2.1: Do you agree with Ofcom's proposed regulatory approach for regulating postal services over the next 5-year period (2022-2027)? If not, please explain the changes you think should be made, with supporting evidence.

- a) Post Office generally supports the proposal for a five-year framework as it provides regulatory stability.
- b) Post Office notes that there will be a review in 2024 of the Second-Class price safeguard price-cap and we intend to engage with that review. Consumers need to be protected from price increases where affordability limits are reached. Please see our related comments in our answer to question 5.3 below about the possible impact of discounting Universal Services online on the safeguard price-cap review.

¹ Ofcom consultation document at paragraph 7.63

Question 3.1: Do you agree with our proposed approach to sustainability of the universal service? Please substantiate your response with reasons and evidence.

- c) Post Office generally supports these proposals but we would note that delivery of the Universal Service relies heavily on there being a sustainable Post Office network throughout the United Kingdom. Post Office is the only single retail network capable of meeting the access point density requirements in every nation of the United Kingdom. That, in turn, depends upon Postmasters being able to earn a suitable revenue from the sales of postal services. Please see our answer to question 5.3 below on the risk to the Post Office network of not being able to offer the same prices in branch as are available online and our answer to question 7.1 below on the need to be able to offer a range of basic, but modern, services as part of the Universal Service.

Question 4.1: Do you agree with our proposal to maintain the historic approach but with the additional requirement on Royal Mail to set and report against a five-year expectation? Please substantiate your response with reasons and evidence.

- d) Post Office support efficiency, generally, as consumers typically benefit but this support is conditional upon the Universal Service being maintained. This includes all customers in our society having access to basic, modern Universal Services on the same terms.

Question 4.2: Do you agree with our proposals in relation to the monitoring and publication of the efficiency expectations prepared by Royal Mail? Please substantiate your response with reasons and evidence. Please substantiate your response with reasons and evidence.

- e) Post Office would observe that if there is a mandatory requirement for Royal Mail to publish and report against efficiency expectations, this will need to be monitored. Post Office recognises that, as a stock-listed company, Royal Mail already report efficiency gains to the market and they are subject to detailed scrutiny by market analysts. It is not clear to what extent a regulatory obligation will increase transparency of efficiency gains or make their realisation more likely. We also note that some efficiency measures may be commercially sensitive so disclosure may put Royal Mail at a competitive disadvantage to the extent information required to be disclosed goes beyond the requirements of other operators in the market.
- f) Post Office's chief concern about holding Royal Mail accountable to an efficiency plan is that Royal Mail may feel pressured to cut costs where it is easiest to do so, without addressing structural inefficiencies which are more difficult to tackle.

- g) We note that Ofcom's overriding statutory duty is to ensure the provision of an affordable and universally accessible Universal Service and Post Office would urge Ofcom to structure any efficiency incentives with this in mind.

Question 5.1: Do you agree with our proposed approach of maintaining the current regulatory safeguards of the safeguard cap, high quality of services standards, and requirements on access to universal services? Please substantiate your response with reasons and evidence.

- h) Post Office support the current level of the safeguard price-cap, quality of standard levels and access requirements.
- i) Post Office will respond on the 2024 review of the Second-Class safeguard price-cap. Consumers need to be protected from price increases where affordability limits are reached. Please see our related comments in our answer to question 5.3 below about the impact on the safeguard price-cap review if some, selected Universal Services are sold at a discount online.

Question 5.2: Do you agree with our proposal to not impose further regulatory requirements on Royal Mail in relation to Redirection pricing, following implementation of its improved Concession Redirection scheme? Please substantiate your response with reasons and evidence.

- j) Post Office notes that Royal Mail has taken steps to address concerns about the pricing of its Redirection services. We support the decision not to introduce specific price caps but believe it important, to ensure the universality of the pricing of Universal Services, that Ofcom should require Royal Mail to sell the Redirection services for prices that are no higher in Post Office branches or other physical outlets than they are online, particularly given the previously highlighted affordability concerns.

Question 5.3: Do you have any further evidence on other issues raised in this section?

- k) Post Office, in our response to the Call for Inputs, raised our concerns about the frequency and extent of differential pricing of Universal Services whereby selected services are sold online for a cheaper price than they are sold for in a Post Office branch. So far, this has not been addressed in Ofcom's proposals but we believe it should be part of Ofcom's final Statement.
- l) At its heart, there are several fundamental objections to selective, differential pricing of Universal Services.
- m) First, discounting prices online runs counter to the very principle of universality, which is a core feature of a Universal Service. If that is not accepted as a principle, then Ofcom should make it clear to what extent and under what conditions identical Universal Services can be sold for

lower prices online than in branch while retaining the characteristic of a Universal Service. Since not everyone has online access, and particularly those who are the most vulnerable in our country, Post Office would support the position that a service sold subject to a discount related to the purchase of the service online should cease to be a 'single piece service' and, therefore, cease to be a Universal Service. Universal Services sold for the same price, irrespective of the sales channel, would remain Universal Services. This would also be a helpful way to mitigate the distortion on competition caused by the VAT exemption of Universal Services, which we return to below in our answer to question 7.1.

n) Second, as stated above, the people who are most likely to depend on Post Offices are those who do not have online access, so differential pricing leads to an effective surcharge being levied on the most vulnerable people in our country. As we stated in our response to the Call for Inputs, charging a higher price for those who do not access services online has the effect of charging more to those who are most vulnerable:

- People aged 65+ are almost nine times more likely not to shop online than those under 54; ²
- 18% of those aged 65+ have no internet connection at home;³
- 11% of those in DE households and 10% of the most financially vulnerable do not have internet access at home; ⁴
- Only 51% of households earning between £6000-10,000 have home internet access compared with 99% of households with an income of over £40,001. ⁵

Citizens Advice, Citizens Advice Scotland, Consumer Council, Action with Communities in Rural England and Age UK recently confirmed in a joint letter to the Chancellor of the Exchequer the special role that Post Office plays in serving vulnerable customers:

"New Citizens Advice research shows that people in vulnerable circumstances, including those living in rural areas, rely heavily on post offices to access essential services. Nearly 1 in 5 (18%) people among the general population use post offices weekly. In rural areas, this increases to 3 in 10 (30%) people with

² 35% of those aged 65+ compared with 4% of those under 54 do not shop online

³ Ofcom's 'Adults' Media Use and Attitudes report 2020/21' published 28 April 2021

https://www.ofcom.org.uk/data/assets/pdf_file/0025/217834/adults-media-use-and-attitudes-report-2020-21.pdf

⁴ Ofcom's 'Adults' Media Use and Attitudes report 2020/21' published 28 April 2021

https://www.ofcom.org.uk/data/assets/pdf_file/0025/217834/adults-media-use-and-attitudes-report-2020-21.pdf

⁵ Cambridge Centre for Housing & Planning Research: The Digital Divide: what does the research tell us? October 2020

[https://www.cchpr.landecon.cam.ac.uk/Research/Start-](https://www.cchpr.landecon.cam.ac.uk/Research/Start-Year/2017/building_better_opportunities_new_horizons/digital_divide_research)

[Year/2017/building_better_opportunities_new_horizons/digital_divide_research](https://www.cchpr.landecon.cam.ac.uk/Research/Start-Year/2017/building_better_opportunities_new_horizons/digital_divide_research)

ONS: Exploring the UK's digital divide 4 March 2019

<https://www.ons.gov.uk/peoplepopulationandcommunity/householdcharacteristics/homeinternetandsocialmediausage/articles/exploringtheuksdigitaldivide/2019-03-04>

longstanding health conditions or disabilities and over 1 in 4 (27%) people aged over 65.”⁶

o) Third, the discounts are offered selectively and, specifically, where Royal Mail faces competitive pressure from parcels operators. The level of differential is increasing dramatically and rapidly. As noted above, this begs the important question of the point when the differential will be considered to have reached such a level that the service is no longer a Universal Service. We would suggest that any discount related to purchasing the service online takes the service out of the definition of a ‘single piece service’ and out of the Universal Service and the VAT exemption. The table below gives illustrative examples of the selective nature of the discounts and extent and increase in certain differentials over the last four years.

Table 1⁷

Differential between Online Price and in-branch price

Service	Jan 2019	Jan 2020	Jan 2021	Jan 2022
Second Class letter (up to 100g)	0	0	0	0
First Class letter (up to 100g)	0	0	0	0
Second Class Large Letter up to 250g	0	0	0	0
First Class Large Letter up to 250g	0	0	0	0
Second Class medium Parcel up to 2kg	10p	10p	15p	£1.00
First Class medium Parcel up to 2kg	5p	5p	10p	£1.00
Second Class medium Parcel up to 5kg	0	0	20p	£1.00
First Class medium Parcel up to 5kg	0	0	0	£1.00

p) Fourth, as stated in our response to the Call for Inputs, letters and parcels transactions represent the single largest source of Post Office’s income. The effect of offering discounts online is to encourage customers to divert their purchasing behaviour out of Post Office branches and online, which could be expected to be a material contributing factor towards undermining the financial sustainability of branches in the medium term and, thus, the total number of access points in the medium to longer term. The loss of Post Office branches will reduce access to postal services and harm consumers.

⁶ Letter of 12 October 2021

[https://www.citizensadvice.org.uk/Global/CitizensAdvice/Post%20and%20Telecoms/Joint%20letter%20to%20Rt%20Hon%20Rishi%20Sunak%20MP%20-%20Securing%20the%20Future%20of%20Rural%20Post%20Offices%20\(9\).pdf](https://www.citizensadvice.org.uk/Global/CitizensAdvice/Post%20and%20Telecoms/Joint%20letter%20to%20Rt%20Hon%20Rishi%20Sunak%20MP%20-%20Securing%20the%20Future%20of%20Rural%20Post%20Offices%20(9).pdf)

⁷ Royal Mail Price Guides, Post Office team analysis

- q) Fifth, these discounted prices apply to Universal Services where Royal Mail already has a competitive advantage through a VAT exemption and the departure from universal pricing through online discounting has the effect of compounding that competitive distortion. As stated above, Post Office would suggest that the way to mitigate this is to exclude services sold at a discount online from the definition of 'single piece service'.
- r) Sixth, by allowing Royal Mail to charge full tariff online for those Universal Services where it faces no appreciable competitive pressure (e.g. letters and large letters) but offer discounts on other, selected Universal Services where it is competing (e.g. First and Second Class small and medium parcels), customers of Royal Mail's 'non-commercial' Universal Services are, effectively, cross-subsidising Royal Mail's 'commercial' Universal Services.
- s) Seventh, as discounts are being offered on Royal Mail parcels services competing with other parcels operators' services, the beneficiaries from the discounted prices are customers who, by definition, have access to alternative services. Parcels represent only 16%⁸ of Royal Mail's total volumes and just under one-third of total volumes⁹ generally. However, no online discounts are offered on letters and large letters, which represent around 84% of Royal Mail's total volumes and two-thirds of total volumes generally. In other words, only a minority of items benefit from this differential pricing which is funded by the majority made up of 'captive' letters and large letters customers.
- t) Eighth, and finally, if Royal Mail is able to sell Universal Services at a discount, this would appear to be an indication that the safeguard price cap is set too high. If online discounts on Universal Services are allowed to continue, in Ofcom's planned 2024 safeguard price cap review, Ofcom should take into account the extent of those discounts for online purchases; their impact on Royal Mail's revenues and the relative affordability of postal services purchased in-branch compared with those purchased online as part of the assessment.

⁸ Royal Mail full year 2020-21 Financial Statement at page 29

<https://www.royalmailgroup.com/media/11452/royal-mail-plc-fy2020-21-results-20-may-2021.pdf>

⁹ Ofcom, Annual Monitoring Update 2020-21 at paragraphs 4.13 and 4.30. Total parcels volumes of 4.2 million items (35%) and total letter and large letter volumes of 7.79 billion items (65%).

https://www.ofcom.org.uk/data/assets/pdf_file/0029/228971/Annual-monitoring-update-on-the-postal-market-Financial-year-2020-21.pdf

Question 6.1: Do you agree with our assessment of the parcels market, namely that it is generally working well for consumers, but improvements are needed in relation to complaints handling and meeting disabled consumers' needs? Please substantiate your response with reasons and evidence.

Question 6.2: Do you agree with our assessment of the consumer issues in relation to complaints handling and our proposed guidance? Please substantiate your response with reasons and evidence.

Question 6.3: Do you agree with our assessment of the issues faced by disabled consumers in relation to parcel services and our proposed new condition to better meet disabled consumers' needs? Please substantiate your response with reasons and evidence.

- u) In answer to all three questions in this section, Post Office would support this view and, although not a postal operator or parcel operator itself, would also support measures to protect the interests of all customers.

Question 7.1: Do you agree with our proposal not to include tracking facilities within First and Second Class USO services? Please substantiate your response with reasons and evidence.

- v) Post Office does not support this proposal.

- w) It has the effect of depriving Universal Services customers from receiving the benefits of a tracking feature as part of standard parcels services even though this is now a regular feature of parcels services and one that customers value. Our own survey evidence clearly shows that tracking is an important feature for customers. After price, it was third most important feature for customers.

Figure 2¹⁰ [CONFIDENTIAL]

[FIGURE REDACTED]

- x) As outlined in section 7 of the consultation document, Ofcom's own research shows that customers attach a significant value to a tracking feature and Ofcom concludes that 'tracking is a feature that is becoming increasingly important to users'. More than 70% of customers were of the view that they increasingly expect to be able to track items they send. Similarly, more than 70% of marketplace sellers agree that people expect to track items bought from smaller online sellers. When returning an item, 84% of those surveyed stated that tracking is important. Ofcom's Residential/SME Tracker Research also consistently finds that the majority of senders (and recipients) of parcels regard the ability to track delivery as an important factor when choosing parcels services. These research data show that there has been a significant shift in customer needs since

¹⁰ Post Office PUDDO Insight 2022

the 2017 review of regulation and that the vast majority of customers are now expressing the need for tracking. Ofcom seeks to downplay these needs as 'nice to have' but, in Post Office's view, this attaches insufficient weight to the clear views expressed in Ofcom's and our own research. Ofcom is, it appears, primarily but incorrectly motivated by the effect of VAT on Royal Mail's competitors' tracked services and not on the clearly expressed needs of Universal Services customers.

- y) Ofcom also acknowledges that, in certain parts of the country, customers do not have access to non-USO tracked services. Ofcom recognises that access points for Royal Mail's competitors' services can be harder for sending customers to reach in deep rural areas than post offices and that collections services may be subject to surcharges. As for customers sending tracked items to certain parts of the country through services provided by Royal Mail's competitors, surcharges may apply including for Northern Ireland and the Scottish Highlands & Islands. In short, by preventing tracking from being a feature of standard parcels services within the Universal Service, Ofcom is preventing these valued service features from being available throughout the country unless customers pay a surcharge or for a time-guaranteed service. The need for a tracking feature has been clearly demonstrated as has the lack of accessibility to alternatives or uniform pricing so Post Office does not accept Ofcom's conclusion that it is sufficient to monitor consumer needs for tracking. Post Office firmly believes that the appropriate course to take is to permit a tracking feature within the standard Universal Services, thereby allowing everyone in the United Kingdom (whether as a sending or receiving customer) to have access to this feature as part of a standard service, and to mitigate the distortion caused by the VAT rules by removing discounted items from the definition of 'single piece service' in the manner suggested below.

- z) The distortion of competition caused by the VAT exemption on Universal Services is recognised but, in taking account of VAT, Ofcom appears to be putting competition ahead of the needs of Universal Services customers. Post Office believes that this 'binary' approach risks doing a disservice to many customers and that allowing tracking within the standard services within the Universal Service, while mitigating the possible distortion of competition, is a preferable approach from a customer perspective.

- aa) Ofcom has previously acknowledged that "VAT considerations are for Her Majesty's Revenue and Customs (HMRC)" and that they "have no vires to determine VAT policy, which is a matter for HMRC"¹¹. If the VAT rules

¹¹ Ofcom 'Securing the Universal Postal Service' Statement, 27 March 2012 at paragraphs 4.40 and 4.44 https://www.ofcom.org.uk/data/assets/pdf_file/0029/74279/Securing-the-Universal-Postal-Service-statement.pdf

create a distortion of competition, the proper course of action is for HMRC to review its policy. It should not be for Ofcom to address the possible distortion by preventing customers from having access to a tracking feature as part of the standard Universal Services for letters, large letters and parcels.

- bb) In its 2017 statement¹², Ofcom said it would be “likely to reconsider” its position on preventing a tracking feature on standard Universal Services if “there was evidence of sufficient consumer need and its inclusion would not damage competition (if, for example, there was a change in the tax treatment) ...”.

- cc) As shown above, the consumer need is clearly evidenced by the high importance attached to tracking, especially by those in areas where there is no alternative to Royal Mail, including in parts of Scotland and Northern Ireland. The difference in tax treatment referred to in Ofcom’s 2017 statement could be achieved by Ofcom adopting the mitigating measures suggested below.

- dd) Even without a change in HMRC’s policy, it is possible for Ofcom to allow customers to benefit from a tracking feature within the standard First and Second Class services within the Universal Service while mitigating the extent of any distortion of competition. This could be done, quite simply, by removing services sold at a discount online from the definition of ‘single piece service’ in the Designated Universal Service Provider condition and, thus, removing them from the Universal Service and the VAT exemption. As can be seen from Table 1 above, online discounts are targeted only at the Universal Services where Royal Mail faces competition.

- ee) There is already a service in the Universal Service which offers tracking, namely Special Delivery Guaranteed by 1pm. As noted below, this was permitted notwithstanding that there was no requirement under the EU Postal Services Directive to offer tracking. Ten years ago, tracking was a common feature of time-guaranteed services and has since also become a regular feature of parcel services generally. Time-guaranteed services offer a much higher specification for a much higher price. Customers who value tracking often do not need or want to pay for these additional time-certain features.

¹² Ofcom Review of the Regulation of Royal Mail, Statement at paragraphs 4.30 and 4.31
https://www.ofcom.org.uk/_data/assets/pdf_file/0033/97863/Review-of-the-Regulation-of-Royal-Mail.pdf

ff) Within the EU, at least 18 of the 27 Member States have tracking as a feature within their Universal Service, despite this not being a requirement of the EU Postal Services Directive¹³. It demonstrates the degree to which tracking is now a standard feature of postal services which National Regulatory Authorities have recognised as being valuable for consumers. As the VAT exemption in the EU must be applied to the 'public postal services' it means that the same VAT distortion identified by Ofcom will also apply in all of those countries.

Figure 3

Tracking is a feature of universal service parcels in most MS for domestic and cross-border parcel services (see Table 5).

Table 5 Tracking as a feature of universal service parcels

Domestic universal service parcels include tracking services	AT, CZ, DE, EE, EL, ES, FR, HR, IE, IT, LU, MT, NL, NO, PT, SE, SI, SK, UK
Cross-border universal service parcels include tracking services	AT, BE, CZ, DE, EE, EL, ES, FR, HR, IE, LU, MT, NL, NO, PT, SE, SI, SK, UK
Universal service parcels do not include tracking	BE, BG, CY, DK, HU, LV, PL, RO

No answer: IS
Source: NRA survey

Note: the UK was an EU Member State in 2019 and the inclusion within the list countries reflects the tracking feature of the Special Delivery delivery service, provided to meet the EU Postal Services Directive requirement for a registered and insured service.

gg) When Ofcom decided to require the explicit exclusion of services with a tracking feature from the definition of priority and standard services, a decade ago, it did so to limit the number of services falling within the Universal Service.

"we do not believe that Royal Mail should extend significantly the range of products provided to meet the universal service characteristics. We have therefore amended the Order to make this clear; in particular we have specified that the priority and standard single piece services do not include tracking features.

We believe that this will limit the potential scope for Royal Mail to increase the number of universal service products ...". Ofcom, Statement 27 March 2012¹⁴

¹³ WIK Consult GmbH "Development of Cross-border E-commerce through Parcel Delivery Study for the European Commission, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs" https://www.wik.org/fileadmin/Studien/2019/ET0219218ENN_ParcelStudy_Final.pdf

¹⁴ At paragraphs 4.42 and 4.43.

- hh) What Post Office is advocating is that tracking be an allowed feature of existing standard First and Second Class services, to provide customers with a now commonplace feature. We are not seeking to increase the number of Universal Services.
- ii) Continued growth and innovation in the parcels sector are not benefitting all customers. Universal postal services should not be treated as inferior services. Regulations prohibiting Royal Mail from offering a tracking feature on universal postal services, other than Special Delivery, has the effect of denying customers a useful, valued and now standard feature. Post Office believes that customers will be best served by removing the prohibition.

Question 7.2 Do you have any further evidence or views on other issues relating to USO parcels regulation? Please substantiate your response with reasons and evidence.

- jj) Post Office would wish to make one further point. As the growth in multi-operator drop-off services at PUDO outlets accelerates, Ofcom should indicate clearly when it will be prepared to protect customers and take action if misrouted parcels are not being handled appropriately by parcels operators. In the consultation, Ofcom notes that increased losses of parcels due to the growth in PUDO services have not been evidenced. Post Office acknowledges that this may, currently, be correct but, as multi-operator PUDO services are a relatively new feature of the market and continue to expand, misrouting of parcels, more than loss of parcels, is likely to become a more common issue. The greatest risk of mis-routing parcels will be at the acceptance point and that is uniquely a feature of drop-off (rather than pick-up) services. It will be important for sending and receiving customers to know that, if a parcel transiting a drop-off outlet does end up in the wrong network, it will be treated fairly and expeditiously. If Ofcom does not plan to implement regulatory measures at this stage, it would assist Post Office and, we would expect, other PUDO providers if Ofcom were to give a clearer indication about what it considers to be 'significant detriment' or 'market failure' so relevant operators are encouraged to adopt suitable measures and behaviours voluntarily to address customer concerns and avoid the need for regulatory intervention.

Section 8: Access for Bulk Mail

Question 8.1: Do you agree with our proposals on the scope of access regulation? Please substantiate your response with reasons and evidence.

Question 8.2: Do you agree with our proposals on access price regulation? Please substantiate your response with reasons and evidence.

Question 8.3: Do you agree with our approach and proposals for the non-price terms of access regulation? Please substantiate your response with reasons and evidence.

kk) Post Office does not seek to express an opinion on access services.