

8th December 2021



CWU Response to Ofcom – Proposal to grant an exception to Royal Mail’s universal service obligations – No requirement for deliveries and collections throughout the UK on 1st January 2022

Introduction

1. The Communication Workers Union (CWU) is the largest union in the communications sector in the UK, representing approximately 187,000 members in the postal, telecoms, financial services and related industries. We are the recognised trade union for around 140,000 non-managerial staff in Royal Mail.
2. The CWU supports Royal Mail’s request that Ofcom issue a direction to make 1st January 2022 an ‘exception’ to the universal postal service because this date falls on a Saturday. We also support Royal Mail’s request that Ofcom grants this exception in addition to it observing the non-working day on Monday 3rd January 2022 (and, in Scotland, it would also be in addition to the substitute public holiday on 4th January 2022).
3. CWU members in Royal Mail need and deserve a rest over the holiday period, having worked extremely hard under difficult conditions throughout the pandemic. Mail volumes and demand for postal services are likely to be low on 1st January 2022 and so the impact on consumers is likely to be minimal. We welcome that Ofcom is minded to grant Royal Mail’s request, meaning that Royal Mail would not have to collect or deliver letters on 1st January 2022.

Consultation Question: Do you agree that there should be an exception to the universal service (i.e. no deliveries or collections) on 1 January 2022?

CWU members in Royal Mail need and deserve a rest over New Year

4. Yes, we agree there should be an exception to the universal service as proposed. In particular, we support Royal Mail’s explanation that this non-working day would be consistent with its duty of care to its staff. Royal Mail rightly notes that its staff have worked extremely hard over the last 20 months during the Covid-19 pandemic and that its *“people need this break over the New Year period.”*¹

¹ Proposal to grant an exception to Royal Mail’s universal service obligations, 12th November 2021, Ofcom, para 2.23, p.5, accessed at: <https://www.ofcom.org.uk/consultations-and-statements/category-3/2022-royal-mail-uso-exception>

5. CWU members in Royal Mail have been declared key workers who have been pivotal to sustaining economic activity and keeping the nation connected during successive lockdowns. They have worked on the front line of the pandemic delivering essential goods and services to homes and businesses, and they have played a vital role in delivering and collecting coronavirus testing kits and vaccination letters. The sharp increase in parcel volumes driven by the rise in ecommerce since the pandemic has contributed to an intensification of work, which has been exacerbated by social distancing requirements and higher absence rates. The volume of mail and the intensity of work will increase further still in the run up to Christmas. Against this backdrop, it is clear that CWU members in Royal Mail need and deserve an uninterrupted break over the New Year weekend.

There are multiple benefits to ensuring a rest for Royal Mail staff

6. As Royal Mail has pointed out, there are benefits to its people getting a well-deserved rest after Christmas.² We fully agree, and we consider that those benefits include supporting the health and wellbeing of staff and lifting morale. All of these factors contribute to maintaining a committed, motivated workforce, which in turn helps to ensure high quality postal services and customer satisfaction.

The impact on customers is likely to be low on 1st January 2022

7. We support Royal Mail's view that mail volumes are likely to be relatively low on 1st January 2022 and that the impact on consumers of this exception is therefore likely to be low. We also agree that there will be less demand for postal services on New Year's Day, with most businesses and public sector organisations likely to be closed on that date. The CWU released a joint statement with the Post Office earlier this year confirming that Crown Post Offices will be closed all day on 1st January 2022. We also note that Royal Mail understands Post Office branches are expected to be closed on 1st January and that Royal Mail will ensure its consumer communications make clear when deliveries and collections will be made over the New Year period.
8. In addition, we welcome that Royal Mail has emphasised that it takes its responsibilities as a part of the UK's critical national infrastructure seriously. This includes a stated commitment to collect Covid test kits from priority post boxes over the New Year period and to engage with the Consumer Advocacy Bodies to ensure that its communications reach as many vulnerable groups as possible.

We are concerned about Ofcom's reference to Saturday deliveries more generally

9. We are concerned that in making the case for an exception to the universal postal service on 1st January 2022, Ofcom has referred to its Review of postal users' needs finding, published in 2020, that "*the majority of residential and SME participants in our qualitative research accepted that retaining a Saturday delivery of letters was not essential to meet their needs*".³

² Proposal to grant an exception to Royal Mail's universal service obligations, 12th November 2021, Ofcom, para 2.25, p.6

³ Proposal to grant an exception to Royal Mail's universal service obligations, 12th November 2021, Ofcom, para 3.4, p.8

10. We think it is important to differentiate between Saturday on New Year's Day and Saturday deliveries more generally when considering the impact of making an exception to the universal postal service. We consider that the impact on postal users is likely to be minimal on Saturday 1st January, because mail volumes are likely to be lower on New Year's Day and many businesses and public sector organisations including the Post Office will be closed on that day. We do not believe this will be the case for most Saturdays throughout the year, when mail volumes will be higher and when the service is greatly valued by many postal users.
11. As Ofcom is aware, the CWU is a strong advocate for retaining a six day universal service obligation, and we believe the evidence shows that the six day service continues to be very important to users. We note that 68% of respondents in Ofcom's 2020 postal users' needs research considered letter deliveries 6 days a week to be important and that 98% of residential users believe the current USO service levels meet their needs, including the six days a week (Monday-Saturday) letter delivery requirement.⁴ We are therefore concerned about any suggestion or implication that the universal postal service could be scaled back to five days a week and continue to meet user needs.⁵

Granting an exception would be in line with previous practice

12. Finally, we agree with Royal Mail that granting an exception on 1st January 2022 would be consistent with the practice under the previous regulatory regime administered by Postcomm. In particular, in 2010 Postcomm made a decision to except Royal Mail from its obligations to provide services on both 1 January, when it fell on a Saturday, and the following Monday 3 January.

For further information on the view of the CWU contact:

Dave Ward
General Secretary
Communication Workers Union
150 The Broadway
London
SW19 1RX

Terry Pullinger
Deputy General Secretary Postal
Communication Workers Union
150 The Broadway
London
SW19 1RX

Email: [REDACTED]
Telephone: [REDACTED]
8th December 2021

email: [REDACTED]

⁴ Ofcom Review of Postal Users' Needs 2020, November 2020, Para 5.19, p.48, and main research findings, p.2 accessed at: https://www.ofcom.org.uk/data/assets/pdf_file/0014/208220/2020-review-of-postal-user-needs-report.pdf

⁵ We note, for instance, that despite finding that 68% of respondents in Ofcom's own research considered letter deliveries 6 days a week to be important, the headline Ofcom chose to emphasise on the USO in its media statement on its Review of User Needs was that "reducing letter deliveries to five days a week would meet the needs of nearly all people." Delivering Postal User Needs in a Digital Age, Ofcom, 26th November 2020, accessed on 13th May 2021 at: <https://www.ofcom.org.uk/about-ofcom/latest/media/media-releases/2020/delivering-postal-users-needs-in-a-digital-age>