

Your response

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<p>Question 1: Do you agree that we have identified the correct aims, supporting principles and features of the USO? Do you consider that these should continue to be respected as far as possible when assessing potential changes to the USO?</p>	<p>CFH agrees that the USO should not be taken in isolation, given that both USO and non-USO mail passes through the same delivery network. So, any changes to the USO will consequently mean changes to non-USO services (in particular, the 75% of mail that goes through Access). Reliability is key!</p>
<p>Question 2: Do you agree with our assessment of the direction of change in postal needs of residential (including vulnerable) users and SMEs? Are there other factors relevant to their future demand which we have not considered?</p>	<p>Mail receivers (users) needs and views differ from the needs of business mail posters, and this should be an essential part of the assessment carried out by OFCOM, as identified bulk mail (DSA and retail business mail) is 75% of the mail sent and a high percentage is transactional critical mail. Over 15% of the volume sent by CFH on behalf of our clients is 1st class mail, and this shows no sign of reducing. 1st class is used by clients for a reason, I feel it would be unreasonable for RM to increase the next day/1st class service to a premium high-rate service, then take away the current D+2 Std Access service (which would be the cost-effective alternative) and replace it with a D+3 service. If the 1st class/next day rate is increased too high this will no doubt encourage users to use digital alternatives, which will have a major impact not just on the future of mail, accessibility of timely and important information for the less fortunate in society but also jobs in the print, mail and distribution sectors.</p>
<p>Question 3: Do you agree with our assessment of the bulk mail market? Are there other factors relevant to its future evolution which we have not considered?</p>	<p>We agree that the USO would not be possible without bulk mail volume in the network, which highlights that bulk mail poster needs should be considered when deciding on the USO's future. If changes result in any amends to the Access agreement, posters will need to be compensated for the change with a guaranteed improvement plan from RM on QofS, some form of guarantee on capping future rate increases. Improved provision of information to customers on when their mail is due to be delivered (through use of Royal Mail's Mailmark barcoding technology), so we can see when mailings will and have landed eg. if 100k items sent and post changed to delivery every other day, visibility of items/areas will receive day 2 or day 3. Plus if the postmen have less items</p>

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	to delivery then it should be possible for them to carry out a door scan on mailmark items, this information would be a trade-off for less delivery days.
<p>Question 4: Are there specific events/changes that could trigger a significant change in demand for large mail users, including public services?</p>	<p>As mentioned above if RM outprice the 1st class service and take away the D+2 service I think the migration to digital will definitely be accelerated, resulting in loss of jobs. CFH carry out Election mailings for a high percentage of the UK's councils, postal vote packs are 1st class and this volume grows year on year, plus a quick turnaround of the returns is essential – if the 1st class service rate is increased dramatically this would impact the councils and budgets. A 'special' service will be required for elections, plus other essential next day mailings.</p>
<p>Question 5: Do you agree with our proposed approach to estimating the financial burden of the USO?</p>	<p>I feel this is hard to estimate due to the bulk mail and parcels being processed and delivered with USO mail using the same delivery network.</p>
<p>Question 6: Do you agree with our considerations regarding the unfairness of the financial burden of the USO?</p>	<p>I'm not convinced it can be a financial burden as the rate of a USO item of mail compared to a bulk mail item is almost double per item, and as it uses the same delivery network I'm not sure how this can make a loss.</p>
<p>Question 7: Do you agree with our considerations regarding the impact of the financial burden of the USO?</p>	<p>As above</p>
<p>Question 8: Do you agree with our analysis of the different options available to change the USO and the impact of those changes on residential (including vulnerable) users, SMEs and bulk mail users? If not, please explain why and set out any option(s) which we have not considered.</p>	<p>I believe most other countries receive a Government subsidy to help pay towards the cost of offering the USO and feel this is an option that needs to be seriously considered in the UK, IF the USO is such a financial burden then dropping a delivery day is not going to make a huge difference, subsidy from the Government would help with the costs and keep the service available for all those who rely on post as a means of communication and can ensure that the costs are kept affordable.</p> <p>Any options of change that can be made without change to legislation will need to be accepted by the CWU, with-</p>

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	<p>out this no change will be possible without further industrial action and disruption to the current poor Quality of service we are receiving.</p>
<p>Question 9: Which option(s) do you consider would be most appropriate to address the challenges we have identified, while also ensuring that users' needs are adequately met?</p>	<p>I think if change is going to happen, it will need to happen soon and not be dragged out for many years and the best way will be through Government subsidy, so will require changes to the postal services act – I feel any other smaller changes that are in the hands of OFCOM and RM alone will result in little improvement to RM's financial position, so will show little sign of improvement to efficiencies, will continue in frequent rate increases and QoS will not improve, plus this will take many years to get an agreement for any change with the CWU.</p>
<p>Question 10: Do you have any other views about how the USO should evolve to meet users' needs?</p>	<p>Part of the reason mail volumes have reduced over the years is due to the constant rate increases RM have introduced, rather than encouraging posters to keep mailing they have written off the use of mail and just concentrated on investing in parcels and their competitive edge in that side of the business.</p> <p>If mail users are to see a degradation in services, especially in the non-USO bulk mail services they use, then they need to have:</p> <ul style="list-style-type: none"> - better quality of service, and greater confidence that that quality will actually be delivered, - assurances that Royal Mail will not have the free hand that it has now, to increase bulk mail prices at rates substantially above that of inflation, and - an obligation on Royal Mail to provide better information on when mail will be delivered.

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