

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>Confidential? N</p> <p>It does not address the key problem. How can you consult on changing a national service that you are failing to properly regulate as it stands? A service that is failing the public and destabilising small businesses like mine every single day. The fact that it is actually a result of industrial action last year, continued poor / lack of service and the prioritising of parcels over letter delivery that is having a direct impact on consumer demand. My response to this consultation would be different if the Royal Mail service was actually running at an acceptable level. The demand for my products (greeting cards) could grow if we could be guaranteed the service we are currently paying for.</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>Confidential N</p> <p>The narrative you have put out in the Press is biased. In particular, I refer to Ofcom's Press Release of 24th January 2024 which claimed the Universal Service 'no longer aligns with the way people use it'^[1] Ofcom: Universal postal service must modernise - Ofcom. Yet the data within Ofcom's consultation indicates clear ongoing majority support for every single USO feature currently under consideration^[2]. (Slide 11, Consumer survey research on post (ofcom.org.uk))</p> <p>You are telling consumers that the service can't survive in its current form and yet you haven't consulted with consumers or stakeholders about the current service and what could be done to improve it and you have failed to effectively hold Royal Mail to account over its obligations. Instead your narrative is that times have changed and you will allow Royal Mail to cut the letter service regardless of the impact on consumers - this is an exercise in seeing how much can be cut not whether it should be cut. This is an outrageous example of feeding the rhetoric you want to achieve.</p>

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	<p>Royal Mail holds a monopoly in the postal letters market. It has a huge commercial advantage, its brand recognition and trust is up there with the BBC. So when the public is fed the story that Royal Mail can no longer afford to deliver letters six days a week, and most are aware they are no longer receiving letters on a regular basis, the public believes it! You have said in the press that the USO simply isn't financially sustainable and yet your own data states that it isn't possible to assess the financial stability of the USO on its own</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>Confidential? N</p> <p>Royal Mail is very capable of delivering parcels six days a week – to those same addresses that letters go to. The price of its parcel service has been cut by 19 per cent over the last few years. On the flip side, posties hours have been cut, the size of their rounds have doubled and they have been told to prioritise parcel deliveries – I have heard this from numerous postal workers on the ground. There are letters, greetings cards, magazines, leaflets, large letters from small businesses that all need to be delivered on time, they're just not being delivered because the management at Royal Mail is making it impossible to do so.</p> <p>Royal Mail has failed to meet its delivery targets for letters the last few years and yet has received just two fines, the latest of which accounted for just 0.05 per cent of that year's group revenue for the company. At the moment there isn't even an indication of how long the targets are missed by: my daughter received all of her birthday cards, delivered by first class mail, a week late! And yet Royal Mail has increased letter prices by 83 per cent over the last few years. What company can be allowed to cut its monopoly service and increase its price? There is no external competitive pressure on Royal Mail to improve service. Its letters pricing structure is unregulated. This has allowed a first class stamp to nearly double in price in the last five years, yet it is supposed to be an affordable service, accessible even to the most vulnerable in our society.</p>

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	<p>If a company that has a monopoly on a product fails to deliver how can it be trusted to make a success in a highly competitive parcel market? It strikes me as a disaster waiting to happen and public bailouts down the line.</p> <p>The Government's business select committee recommended Ofcom carry out multi-year investigations into the claim that royal mail is prioritising its parcel delivery service over letters and yet Ofcom has failed to do so. Decisions about service and penalties are decided behind closed doors, what other regulator does that? Where is the commercial incentive for Royal Mail to invest in efficiencies to improve quality of service if there is no transparent process of investigation? Where is the consumer's voice? There is no obligation to involve the consumer – the paying customer – when Royal Mail is investigated. And many of those paying customers are small businesses!</p>
<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>Confidential? N</p> <p>My greeting card business is heavily reliant on a fully functioning, affordable daily letter delivery service on so many levels. In the UK we are blessed with a thriving greetings card market - we send more cards per person than any other country in the world. It is a growing £1.5bn industry. And it isn't just older people sending them, the number of younger consumers has notably risen in recent years. It is the original form of social communication and something the public came to cherish even more during the pandemic.</p> <p>With greetings cards being such an affordable item, it is a draw to our high streets. We have many of the same customer's visit our shop 3 or 4 times a week, and therefore visiting other shops and businesses on the high street. It is a product that most people still want to purchase in person. It is thoughtful, it is caring and it is important to the fabric of our society and the survival of our high streets.</p>

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	<p>However, given the average price of a greeting card is £1.76, the price of a first class stamp has a massive impact on that sale, it is quickly becoming un-affordable for many. Added to that the unreliable Royal Mail service, and you can see how our industry, and my business, is massively impacted by how Ofcom regulates Royal Mail.</p> <p>Not only do our customers expect and rely on a first class daily delivery service – very few of our customers are organised to send birthday, new baby, sympathy, new home, Mother’s Day, Christmas cards (the list is huge) weeks in advance. They send them wanting them to arrive with the recipient the next day, especially in today’s 24-hour, 7 days a week, society.</p> <p>In addition, we use our local post office to send retail orders. This accessible service is exactly what we need as a small business. Most of our orders are sent as first class post. If you allow these suggested changes to happen, the price will become prohibitive overnight (£3.75), and yet we have no other competitive way to send our orders.</p> <p>You said in the Ofcom stakeholder meeting that of course greeting cards were included as part of the research, however, what has clearly come across is the narrative 'of course no-one sends letters anymore'. If you actually listen to the stakeholders you will realise that just isn't true. And actually it is an unreliable, failing, expensive service that is damaging all these industries. Your current proposals do not address that fundamental issue.</p>
<p>Question 5: Do you agree with our proposed approach to estimating the financial burden of the USO?</p>	<p>Confidential? N</p> <p>No, this is a fundamental problem with the consultation. The financial burden of the USO should be seen as an opportunity. You are presuming a decline in demand for post, which will happen if you continue to allow such shocking service standards. However, the demand for post is there. Consult</p>

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	properly with your stakeholders and the USO could thrive.
<p>Question 6: Do you agree with our considerations regarding the unfairness of the financial burden of the USO?</p>	<p>Confidential? N</p> <p>No please see previous answers</p>
<p>Question 7: Do you agree with our considerations regarding the impact of the financial burden of the USO?</p>	<p>Confidential? N</p> <p>No, please see previous answers</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>Confidential? N</p> <p>No, please see previous answers</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>Confidential? N</p> <p>You haven't explored all options with stakeholders therefore you do not know whether users' needs can be met.</p>
<p>Question 10: Do you have any other views about how the USO should evolve to meet users' needs?</p>	<p>Confidential? N</p> <p>You consultation is suggesting that we either have to accept an increase in price or a cut in delivery days. Why are those those only options? Rather than looking at what can be cut and managing for decline, Of-com should be talking to stakeholders about how Royal Mail can work with them to revolutionise its incredible, unparalleled network – there are plenty of creative solutions not least from The Greeting Card Association, the Federation of Small Businesses, the Bulk Mailers Association, Citizen's Advice and the Communication Workers Union. But we need to work together in an honest, imaginative,</p>

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	transparent way, to reinvigorate this national service that this country has always been extremely proud of.

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