

POSTAL SERVICES COMMISSION DECISION STATEMENT MODIFICATION OF THE CONDITIONS OF THE USO LICENCE AND THE STANDARD LICENCES

Summary

On 22 September 2005, Postcomm issued a proposal to modify the licences issued to Royal Mail Group and to the Standard Licence Holders, to add two conditions requiring compliance with Codes of Practice on mail integrity and common operational procedures. Representations on the modifications of these licences were requested by 21 October 2005. Postcomm, having considered the responses, decided to make the modifications.

Background

In November 2004 Postcomm consulted on how licensing should work in a fully open market.

In February 2005, Postcomm announced its decision to bring forward the date of full market opening to 1 January 2006.

In May 2005 an initial decision document on the principles of the licensing framework was published and further consultation was undertaken on the detail of the framework. In August 2005, Postcomm published its decision document on the licensing framework.

On 22 September 2005 Postcomm issued a notice under section 14 Postal Services Act 2000 of its proposal to modify the Standard Licences and Royal Mail's Licence to include two conditions requiring compliance with Codes of Practice on mail integrity and common operational procedures, setting out the reasons for and the effects of the proposed modifications. Responses were requested by 21 October 2005.

Consultees' representations

Responses to the proposal were received from Postwatch who supported the proposal and the Communication Workers Union (CWU). The CWU stated its continued serious concern about Postcomm's proposals to introduce a Code of Practice for mail integrity. It did not believe that a Code was sufficient and argued that the requirements should be enshrined in the licence. The modifications do include the Code as a licence condition, so Postcomm's view is that this issue was addressed by the proposed modifications consulted upon..

Postcomm's decision

- (1) Postcomm has decided to make the modifications as proposed. Postcomm is satisfied that making the modifications is a proper exercise of its functions under the Act, in accordance with its statutory duties and other legal duties. Royal Mail and the Standard Licence holders have consented in writing to the modifications, and no direction has been made by the Secretary of State to Postcomm not to make the modifications.

Contact details at Postcomm

If you have questions regarding any aspect of this licence modification, please contact –

(for common operational procedures)

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2 November 2005