

28 April 2005

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Dear Jon

Comments on Reviewing Guernsey Post's Quality of Service Consultation Paper

This letter sets out Royal Mail's response to the OUR consultation paper on Guernsey Post Quality of Service.

Targets for Mail between the UK and the Bailiwick (and vice versa)

Royal Mail notes that OUR has again proposed end to end targets for UK to Bailiwick and Bailiwick to UK mail flows. OUR cannot set end to end targets for mail flows outside Guernsey or involving postal operators other than Guernsey Post. It can only regulate the quality of service of mail whilst it is in the control of Guernsey Post, i.e. up to the point of handover of outbound mail and from the point of receipt of inbound mail. OUR has no authority to regulate Royal Mail which is regulated in the UK by the Postal Services Commission, or other UK postal operators.

It would be more correct to consider the UK as an international destination for mail from the Bailiwick. Royal Mail's quality of service targets in its Licence do not extend to mail to / from Guernsey, as they are limited to domestic UK mail. If OUR continues to impose end to end quality of service targets on Guernsey Post which cover mail to / from the UK (which as I explained above would appear to be beyond OUR's powers) Guernsey Post may seek to impose such requirements upon Royal Mail - especially as Guernsey Post may be subject to enforcement action or

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financial penalties for failure to meet the targets. OUR should be aware that there is no reason for Royal Mail to agree to any such targets, and even if it were to do so, Royal Mail could not agree to anything which would potentially expose it to financial repercussions for failing to meet voluntary standards.

Factual Correction

Royal Mail notes that in paragraph 7.2.1 OUR quotes research by Postwatch as saying that nearly 60% of the 14.5 million items lost each year in the UK are simply delivered to the wrong house. These two figures are not derived from any research by Postwatch but from the 2002/3 estimates of lost, stolen, damaged and interfered with mail reported by Royal Mail to Postcomm and Postwatch under Condition 8 of its Licence. They would not include mail lost or misdelivered by any other UK postal operators.

If you would like to discuss this letter, please do not hesitate to contact me.

Yours sincerely