

Annex 7

Statutory Notification: designated USP conditions

NOTIFICATION OF A DECISION TO IMPOSE REGULATORY CONDITIONS IN ACCORDANCE WITH SECTIONS 36 AND 37 OF, AND PARAGRAPH 3 OF SCHEDULE 6 TO, THE POSTAL SERVICES ACT 2011

BACKGROUND

- (A) On 13 December 2011, at Annex 10 to the consultation document entitled 'Review of Regulatory Conditions: Postal Regulation', OFCOM published a notification in accordance with section 53 of, and paragraph 3(3) of Schedule 6 to, the Act setting out their proposals to impose on Royal Mail Designated USP conditions pursuant to their powers in section 36 of the Act (the "**First Notification**").
- (B) A copy of the First Notification was sent to the Secretary of State in accordance with Schedule 6 paragraph 5(1)(a) of the Act and to the European Commission in accordance with Schedule 6 paragraph 5(2) of the Act.
- (C) In the First Notification (and the accompanying consultation document), OFCOM invited representations about any of the proposals set out therein by 31 January 2012.
- (D) By virtue of section 53 of, and paragraph 3(5) of Schedule 6 to, the Act OFCOM may give effect, with or without modifications, to a proposal with respect to which they have published a notification only if they—
 - (i) have considered every representation about the proposal that is made to them within the period specified in the First Notification; and
 - (ii) have had regard to every international obligation of the United Kingdom (if any) which has been notified to them for this purpose by the Secretary of State.
- (E) OFCOM received responses to the First Notification and have considered every such representation made to them in respect of the proposals set out in the First Notification (and the accompanying consultation document); and the Secretary of State has not notified OFCOM of any international obligation of the United Kingdom for this purpose.

DECISION

1. OFCOM hereby impose on Royal Mail, in accordance with section 36 of, and paragraph 3 of Schedule 6 to, the Act and pursuant to powers and duties in section 36 and 37 of the Act, Designated USP conditions with effect from 1 April 2012, to make provision for matters set out in those sections 36 and 37.
2. The Designated USP conditions imposed by OFCOM are specified in the Schedules hereto.

3. The effect of, and OFCOM's reasons for making, this decision are set out in the accompanying explanatory statement.

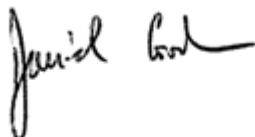
OFCOM'S DUTIES AND LEGAL TESTS

4. OFCOM are satisfied that this decision satisfies the general test in paragraph 1 of Schedule 6 to the Act.
5. In making this decision, OFCOM have considered and acted in accordance with their principal duty in section 29 of the Act and their general duties in section 3 of the Communications Act 2003.

INTERPRETATION

6. Except insofar as the context otherwise requires, words or expressions shall have the meaning assigned to them in this Notification and otherwise any word or expression shall have the same meaning as it has been ascribed for the purpose of Part 3 of the Act.
7. In this Notification—
 - (a) “**Act**” means the Postal Services Act 2011 (c.5);
 - (b) “**First Notification**” has the meaning given to it in recital (A) above; and
 - (c) “**Royal Mail**” means Royal Mail Group Ltd, whose registered company number in England and Wales is 04138203.
8. For the purpose of interpreting this Notification—
 - (a) headings and titles shall be disregarded;
 - (b) expressions cognate with those referred to in this Notification shall be construed accordingly;
 - (c) the Interpretation Act 1978 (c. 30) shall apply as if this Notification were an Act of Parliament.
9. The Schedules to this Notification shall form part of this Notification.
10. Unless otherwise is stated in those Schedules, this Notification shall take effect on 1 April 2012.

Signed by **Daniel Gordon**

A handwritten signature in black ink, appearing to read 'Daniel Gordon', written in a cursive style.

Competition Policy Director

A person duly authorised by Ofcom under paragraph 18 of the Schedule to the Office of Communications Act 2002

27 March 2012

SCHEDULE 1

DESIGNATED USP CONDITION 1 SERVICES, ACCESS POINTS, PERFORMANCE TARGETS, NOTIFICATION AND PUBLICATION AND CONTINGENCY PLANNING

1.1. Application, definitions and interpretation

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| DUSP 1.1.1 | This Designated USP condition (“ DUSP Condition ”) shall apply to the <u>universal service provider</u> . |
| DUSP 1.1.2 | <p>In this DUSP Condition—</p> <p>(a) “Act” means the Postal Services Act 2011 (c.5);</p> <p>(b) “actual routing time” means the period in <u>working days</u> between the <u>deemed date of collection</u> of a <u>postal packet</u> and the <u>deemed delivery date</u> of that packet;</p> <p>(c) “appointed date” means 1 October 2011;</p> <p>(d) “appropriate testing methodology” means a testing methodology which is :</p> <ul style="list-style-type: none"> i. representative of the range of services and customers for whom these performance targets are relevant; ii. capable of providing results with measurable statistical significance; and iii. compliant with Article 16 of the <u>Directive</u>; <p>with reference where relevant to harmonised standards adopted under Article 20 of the <u>Directive</u>¹.</p> <p>(e) “blind” means registered as blind under the provisions of the National Assistance Act 1948;</p> <p>(f) “Certificate of Posting” means a document issued or validated by a <u>post office</u> affirming that a <u>postal packet</u> has been deposited for conveyance;</p> <p>(g) “Christmas period” means the period commencing on the first Monday in December in any year and ending at the start of the first <u>working day</u> after the New Year <u>public holiday</u> in the following year or, in Scotland, at the start of the first <u>working day</u> after the Scottish New Year <u>public holiday</u> in the following year;</p> <p>(h) “Council” means the National Consumer Council established by s.1 of the Consumers, Estate Agents and Redress Act 2007;</p> <p>(i) “deemed date of collection” has the meaning given in DUSP 1.2.1(b);</p> <p>(j) “deemed delivered”, in relation to a performance target applicable to a <u>postal packet</u>, means any of—</p> |

¹See CEN EN 13850:2002+A1:2007 *Postal services - Quality of service - Measurement of the transit time of end-to-end services for single piece priority mail and first class mail.*

- (i) delivered or attempted to be delivered to the address given on the postal packet;
- (ii) delivered to a person named as the addressee on the postal packet; or
- (iii) delivered to an alternative delivery point approved by OFCOM.

- (k) “deemed delivery date”** means the earlier of -
- (i) the date upon which a postal packet is delivered to the address given on the postal packet;
 - (ii) the date upon which a postal packet is delivered to a person named as the addressee on the postal packet;
 - (iii) the date upon which a postal packet is delivered to an alternative delivery point requested by the addressee or approved by OFCOM;
 - (iv) the date upon which an unsuccessful attempt is made to deliver the postal packet in accordance with (i), (ii) or (iii) and the universal service provider offers the addressee a choice of redelivery within a reasonable period and an opportunity to collect the postal packet from any of the following places—
 - o a post office;
 - o a delivery office; or
 - o another collection point approved by OFCOM for the purposes of this paragraph.
- (l) “delivery office”** means an office managed by the universal service provider for the purposes of processing postal packets immediately prior to the activity of delivery to the addressee.
- (m) “Directive”** means *Directive 97/67/EC of the European Parliament and of the Council on common rules for the development for the development of the internal market of Community postal services and the improvement of quality of service, as amended by Directive 2002/39/EC of the European Parliament and of the Council of 10 June 2001, Regulation (EC) No 1882/2003 of the European Parliament and of the Council of 29 September 2003 and Directive 2008/6/EC of the European Parliament and of the Council of 20 February 2008*;
- (n) “domestic”**, in relation to a postal service, means the service is for the conveyance of postal packets from access points in the United Kingdom to addresses in the United Kingdom.
- (o) “EU office of exchange”** means a facility for—
- (i) the collection by a universal service provider of postal packets originating from a country within the European Union other than the United Kingdom, for onward conveyance and delivery within the United Kingdom; or
 - (ii) the deposit by a universal service provider of postal packets originating from the United Kingdom, for onward conveyance and delivery to a country within the European Union other than the United Kingdom;
- (p) “eligible items”** means
- (i) books, papers and letters which are prepared for use by blind or partially sighted people,
 - (ii) papers sent to anyone to be prepared or impressed so blind or partially sighted people can use them,

- (iii) relief maps, machines, frames and attachments for making impressions for blind or partially sighted people to use,
- (iv) writing frames and attachments for blind or partially sighted people to use,
- (v) Braille instruction manuals,
- (vi) games (including card games) for blind or partially sighted people,
- (vii) mathematical appliances and attachments for blind or partially sighted people,
- (viii) recordings of readings from printed sources, such as books, journals, newspapers, periodicals or similar publications,
- (ix) equipment used to play such recordings,
- (x) metal plates impressed or sent for impressing for use by blind or partially sighted people,
- (xi) supplies of covers, envelopes and labels for sending articles for use by blind or partially sighted people,
- (xii) watches, clocks, timers, tools and measuring equipment designed for blind or partially sighted people to use,
- (xiii) walking sticks adapted for blind or partially sighted people,
- (xiv) harnesses for guide dogs; and
- (xv) computer disks and CDs which are prepared for blind or partially sighted people;

(q) “**insured item**” means a postal packet the value of which has been declared to a universal service provider and of which, in the event of its theft or loss or damage in the course of its conveyance by post, the universal service provider has agreed to pay to the sender the declared value or such lesser sum as is consistent with the provision of the service at affordable prices;

(r) “**latest delivery time**” means, for each UK address, the time expressed in minutes past an hour by which the universal service provider endeavours to make a delivery every working day in accordance with the universal service provider’s classification, as at 1 December 2005, of addresses as either “urban” or “rural”;

(s) “**letter box**” includes any pillar box, wall box, or other box or receptacle provided by a postal operator for the purpose of receiving postal packets, or any class of postal packets for onwards conveyance by post;

(t) “**meter**” means a method of evidencing payment for postal services provided by a universal service provider which involve the conveyance of a postal packet, through which the sender having paid in advance for postage applies an impression to a visible surface of the postal packet using a franking machine licensed by the universal service provider;

(u) “**partially sighted**” means certified by an ophthalmologist, doctor or ophthalmic optician as having vision which cannot be improved using optical aids (including magnifiers) or additional illumination to allow 12 point sized print to be read at a comfortable reading distance;

(v) “**post office**” means any premises or vehicle in the United Kingdom from which postal services are provided directly to the public;

- (w) “**postcode area**” means a geographical area indicated by the letters preceding the first number in the code, as the code is set out in the postcode address file;
- (x) “**postcode address file**” has the meaning given in s.116(3) Postal Services Act 2000;
- (y) “**postcode district**” means a geographical area indicated by the (alphabetical) letters and numbers in a postcode preceding the space in the code, as the code is set out in the postcode address file.
- (z) “**proof of delivery**” means a copy of a signature, or other evidence from the recipient in confirmation of receipt, obtained on delivery of a postal packet;
- (aa) “**public holiday**” includes, in relation to a particular territory, any day in relation to which OFCOM has by direction stated that exceptional circumstances require it to be treated as a public holiday;
- (bb) “**registered item**” means a postal packet which has been registered with the universal service provider in connection with its conveyance by post and for which an amount determined by the universal service provider is payable to the sender in the event of theft or loss of or damage to it in the course of its conveyance by post;
- (cc) “**ROW office of exchange**” means a facility for—
(i) the collection by a universal service provider of postal packets originating from a country outside the European Union, for onward conveyance and delivery within the United Kingdom; or
(ii) the deposit by a universal service provider of postal packets originating from the United Kingdom, for onward conveyance and delivery to a country outside the European Union.
- (dd) “**Royal Mail**” means Royal Mail Group Limited, whose registered company number in England and Wales is 04138203;
- (ee) “**single piece service**” means a postal service for a conveyance of an individual postal packet to the addressee, whose price per postal packet is not subject to any discounts related to—
(i) the number of postal packets sent in connection with the person who paid for the service;
(ii) the positioning or formatting of text on the postal packet;
(iii) the use of markings which facilitate the use of machines to sort postal packets;
(iv) presortation into geographical areas for delivery; or
(v) the purchase of any other conveyance of the same or any other postal packet.
- (ff) “**specified collection time**” means, in relation to an access point used in the provision of a service set out in Condition DUSP 1.4, that period of time within which the universal service provider endeavours to make a collection every working day in accordance with the universal service provider’s classification of such access points as at 1 December 2005

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| | <p>as either “commercial area”, “town/city area”, “rest of UK”, “deep rural”, “business box” or “Post Office branch”.</p> <p>(gg) “target routing time” means the target maximum time for conveying <u>postal packets</u> from the <u>access point</u> to the delivery point in the provision of a <u>postal service</u>;</p> <p>(hh) “tracking facility” means a facility enabling a sender to monitor the progress of a <u>postal packet</u> through the <u>postal network</u>;</p> <p>(ii) “USO” means products and/or services provided by <u>Royal Mail</u> for the purpose of complying with <u>Royal Mail</u>’s obligations imposed by any designated USP condition;</p> <p>(jj) “working day” means any day which is not a Sunday or a <u>public holiday</u>.</p> |
| <p>DUSP 1.1.3</p> | <p>For the purpose of interpreting this DUSP Condition—</p> <p>(a) except in so far as DUSP 1.1.2 or the context otherwise requires, any word or expression shall have the same meaning as it has been ascribed for the purpose of Part 3 of the <u>Act</u>;</p> <p>(b) headings and titles shall be disregarded;</p> <p>(c) expressions cognate with those referred to in this DUSP Condition shall be construed accordingly;</p> <p>(d) the Interpretation Act 1978 (c. 30) shall apply as if this DUSP Condition were an Act of Parliament;</p> <p>(e) references to a day are references to a period of twenty-four hours beginning with one midnight and ending with the next, which period shall be treated to include a Saturday, a Sunday and a <u>public holiday</u>;</p> <p>(f) save to the extent that the days concerned are <u>public holidays</u> in any event, the following shall be deemed to be directions issued by <u>OFCOM</u> stating that exceptional circumstances require particular days to be treated as public holidays for the purposes of the definition of “public holiday” in this DUSP Condition:</p> <ul style="list-style-type: none"> • <i>Exceptions to Royal Mail’s universal service obligation – for 26 December 2009 in the UK, bank holidays on Saturdays in the UK, as local holidays in Northern Ireland and Scotland: a decision document (Postal Services Commission, October 2009).</i> |

1.2 Routing times and delivery

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| <p>DUSP 1.2.1(a)</p> | <p><u>Target routing times</u> and <u>actual routing times</u> are expressed using the formula “D + n”, where—</p> <ul style="list-style-type: none"> • “D” means the <u>deemed date of collection</u>; and • “n” means the number of <u>working days</u> between D and the delivery date, including the delivery date. |
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| <p>DUSP 1.2.1(b)</p> | <p>“Deemed date of collection” means—</p> <p>(i) in the case of a <u>postal packet</u> deposited at an <u>access point</u> in the United Kingdom on a day on which no collection is required under DUSP 1.5, the next day on which a collection is required under DUSP 1.5;</p> <p>(ii)</p> <p>(I) in the case of a <u>postal packet</u> deposited in the United Kingdom as described in subparagraph (II), the next day on which a collection is required under DUSP 1.5,</p> <p>(II) subparagraph (I) applies where the <u>postal packet</u> is deposited at a letter box on which, or at a <u>post office</u> at which, a time for last collection is advertised, after the time for last collection on a day on which a collection is required under DUSP 1.5;</p> <p>(iii) in any other case where the <u>access point</u> is in the United Kingdom, the date of deposit;</p> <p>(iv) in the case of a <u>postal packet</u> deposited at an <u>access point</u> outside the United Kingdom, after a last collection time notified in accordance with the rules of the country in question, the next day on which a collection is required under the rules of that country; and</p> <p>(iv) in any other case where the <u>access point</u> is outside the United Kingdom, the date of deposit.</p> |
| <p>DUSP 1.2.1(c)</p> | <p>Where, in relation to a <u>target routing time</u>, the formula as applied to the delivery of a particular <u>postal packet</u> results in delivery being required—</p> <p>(i) in the UK, on a day on which a delivery is not required by DUSP 1.4.1 or DUSP 1.4.2 (as the case may be); or</p> <p>(ii) outside the UK, on a day on which under the rules of the territory of delivery no delivery is required;</p> <p>compliance with the <u>routing time</u> requirement shall be achieved if delivery is effected on the next day on which a delivery is required.</p> |

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| <p>DUSP 1.2.2</p> | <p>Where a service required by this DUSP condition requires delivery of a <u>postal packet</u>, delivery shall be effected if—</p> <p>(a) the <u>postal packet</u> has been delivered to the postal address marked on the <u>postal packet</u>;</p> <p>(b) the <u>postal packet</u> has been delivered to a person named as an addressee on the <u>postal packet</u>;</p> <p>(c) the <u>postal packet</u> has been delivered to another delivery point requested by the addressee or approved by <u>OFCOM</u> for the purposes of this paragraph; or</p> <p>(d) an unsuccessful attempt has been made to deliver the <u>postal packet</u> in accordance with sub-paragraphs (a), (b), or (c) and a <u>universal service provider</u> offers the addressee a choice of redelivery within a reasonable period and an opportunity to collect the <u>postal packet</u> from any of the following places—</p> <ul style="list-style-type: none"> (i) a <u>post office</u>; (ii) a <u>delivery office</u>; or (iii) another collection point approved by <u>OFCOM</u> for the purposes of this paragraph. |
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1.3 Exceptions

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| <p>DUSP 1.3.1</p> | <p>Nothing in this DUSP Condition requires the doing of anything in relation to a <u>postal packet</u>—</p> <p>(a) whose weight exceeds 20 kilograms;</p> <p>(b) whose dimensions fall outside the minimum and maximum dimensions laid down in the Convention and the Agreement concerning Postal Parcels adopted by the Universal Postal Union;</p> <p>(c) which contains an item which it is reasonable to exclude from carriage by post for reasons of potential harm to health, public security or compliance with law or other regulatory requirements; or</p> <p>(d) which does not comply with conditions reasonably imposed on an item's carriage by post for reasons of potential harm to health, public security or compliance with law or other regulatory requirements.</p> |
| <p>DUSP 1.3.2</p> | <p>The requirements in this DUSP Condition in respect of the delivery or collection of <u>postal packets</u> and the <u>target routing times</u> of services do not need to be met—</p> <p>(a) on any day which is (in the territory concerned) a <u>public holiday</u>; or</p> <p>(b) in such geographical conditions or other circumstances as <u>OFCOM</u> has by direction specified to be exceptional for the relevant purpose.</p> |

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| DUSP 1.3.3 | The requirements in this DUSP Condition in respect of the delivery of <u>postal packets</u> , the <u>target routing times</u> of services and any associated quality of service performance targets do not need to be met in relation to a particular address or delivery point, where the addressee has acquired one or more <u>postal services</u> in accordance with which <u>postal packets</u> for that addressee are to be delayed or diverted. |
| DUSP 1.3.4 | Nothing in this DUSP Condition is to be read— (a) as requiring a service to continue without interruption, suspension or restriction in an emergency; or (b) as preventing individual agreements as to prices from being concluded with customers. |
| DUSP 1.3.5 | The following directions shall be deemed to have been made under DUSP 1.3.2 until they expire or are revoked by <u>OFCOM</u> : <ul style="list-style-type: none"> • <i>Direction designating geographical conditions and other circumstances as exceptional for the purpose of deliveries</i> (Ofcom) 23 February 2012² • <i>Exceptions to Royal Mail's Universal Collections Service - A Policy Document and Direction</i> (Postal Services Commission, October 2008)³ • <i>Direction designating circumstances as exceptional for the purpose of collections</i>, Postal Services Commission, 5 October 2009⁴ • <i>Direction designating circumstances as exceptional for the purpose of deliveries</i>, Postal Services Commission, 5 October 2009⁵ |

1.4 Obligation to provide deliveries

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| DUSP 1.4.1 | Except as set out in DUSP 1.3, the <u>universal service provider</u> shall offer to provide at least one delivery of <u>letters</u> originating from anywhere in the world every Monday to Saturday— (a) to the home or premises of every individual or other person in the UK; and (b) to delivery points approved by <u>OFCOM</u> for the purposes of this Condition. |
| DUSP 1.4.2 | Except as set out in DUSP 1.3, the <u>universal service provider</u> shall offer to provide at least one delivery of other <u>postal packets</u> originating from anywhere in the world every Monday to Friday— (a) to the home or premises of every individual or other person in the UK; and (b) to delivery points approved by <u>OFCOM</u> for the purposes of this paragraph. |

² Annex 1 in <http://stakeholders.ofcom.org.uk/consultations/direction-extension/direction/>.

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http://webarchive.nationalarchives.gov.uk/20081212184530/http://www.psc.gov.uk/postcomm/live/policy-and-consultations/consultations/universal-service--services-to-be-provided-exceptions/2008_10_01_Direction_Collections_letterpolicydirection_v1_0.pdf

⁴ <http://stakeholders.ofcom.org.uk/binaries/post/271.pdf>

⁵ *ibid*

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| DUSP 1.4.3 | The following approval shall be deemed to have been given under DUSP 1.4.1(b) and DUSP 1.4.2(b) until it expires or is revoked by OFCOM: <ul style="list-style-type: none"> • <i>Approval of identifiable points for delivery of relevant postal packets (Ofcom) 23 February 2012⁶</i> |
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1.5. Obligation to provide collections

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| DUSP 1.5.1 | Except as set out in DUSP 1.3, the <u>universal service provider</u> shall provide at least one collection— <p>(a) every Monday to Saturday, from public <u>access points</u> for <u>letters</u> for the services described in DUSP 1.4; and</p> <p>(b) every Monday to Friday, from public <u>access points</u> for other <u>postal packets</u> for the services described in DUSP 1.4.</p> |
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1.6. Obligation to provide end-to-end services

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| | <i>End-to-end domestic services at affordable tariffs</i> |
| DUSP 1.6.1 | Except as set out in DUSP 1.3, the <u>universal service provider</u> shall provide <u>postal services</u> meeting the following descriptions at affordable prices determined in accordance with a public tariff which is uniform throughout the United Kingdom, on fair and reasonable terms, every day on which a collection is required by DUSP 1.5. <ul style="list-style-type: none"> • <i>Priority service(s)</i> |
| DUSP 1.6.1(a) | One or more <u>domestic single piece services</u> for the conveyance of <u>postal packets</u> other than <u>insured items</u> , which— <p>(i) have a <u>target routing time</u> of D+1;</p> <p>(ii) are capable of purchase by postage stamp and by <u>meter</u> and may be capable of purchase by other reasonable methods;</p> <p>(iii) include provision of a <u>Certificate of Posting</u> on request where the <u>postal packet</u> is deposited at a <u>post office</u>;</p> <p>(iv) include provision of <u>proof of delivery</u> on application by the sender; and</p> <p>(v) do not include provision of a <u>tracking facility</u>.</p> <ul style="list-style-type: none"> • <i>Standard service(s)</i> |
| DUSP 1.6.1(b) | One or more <u>domestic single piece services</u> for the conveyance of <u>postal packets</u> other than <u>insured items</u> , which— <p>(i) have a <u>target routing time</u> of D+3;</p> <p>(ii) are capable of purchase by postage stamp and by <u>meter</u> and may be capable of purchase by other reasonable methods;</p> <p>(iii) include provision of a <u>Certificate of Posting</u> on request where the <u>postal packet</u> is deposited at a <u>post office</u>;</p> |

⁶ Annex 2 in <http://stakeholders.ofcom.org.uk/consultations/direction-extension/direction/>.

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| | <p>(iv) include provision of <u>proof of delivery</u> on application by the sender; and</p> <p>(v) do not include provision of a <u>tracking facility</u>.</p> |
| | <p>• <i>Return to sender service(s)</i></p> |
| DUSP 1.6.1(c) | <p>One or more <u>domestic single piece services</u> for the conveyance of <u>postal packets</u> back to the <u>sender</u> within a reasonable period, where—</p> <p>(i) the <u>postal packet</u> has been conveyed in the provision of a universal postal service and delivery to the addressee named on the <u>postal packet</u> has not been effected;</p> <p>(ii) the <u>sender's</u> address is legibly marked on the <u>postal packet</u>; and</p> <p>(iii) the service may be paid for by reasonable methods;</p> <p>and for the purposes of this service, part (v) of the definition of “single piece service” shall read “the purchase of a conveyance of any other <u>postal packet</u>”.</p> |
| | <p>• <i>Registered and insured service(s)</i></p> |
| DUSP 1.6.1(d) | <p>One or more <u>domestic single piece services</u> for the conveyance of <u>insured items</u> weighing no more than 10 kilograms and <u>registered items</u> weighing no more than 10 kilograms which—</p> <p>(i) have a <u>target routing time</u> of D+1;</p> <p>(ii) have a target delivery time of 1pm, except where this is not reasonably possible;</p> <p>(iii) include provision of a <u>tracking facility</u>;</p> <p>(iv) include provision of <u>proof of delivery</u> on application by the sender; and</p> <p>(v) are paid for in advance.</p> |
| DUSP 1.6.1(e) | <p>One or more <u>domestic single piece services</u> for the conveyance of—</p> <p>(i) <u>registered items</u> weighing more than 10 kilograms; and</p> <p>(ii) <u>insured items</u> weighing more than 10 kilograms;</p> <p>which convey the <u>postal packet</u> to the delivery point within a reasonable period.</p> |
| | <p>• <i>End-to-end international services</i></p> |
| DUSP 1.6.1(f) | <p>One or more <u>single piece services</u> for the conveyance of <u>postal packets</u> to <u>EU offices of exchange</u>, where—</p> <p>(i) in relation to each country, the postal packet is conveyed to the <u>EU office of exchange</u> within a period that is—</p> <p style="padding-left: 40px;">(i) reasonable; and</p> <p style="padding-left: 40px;">(ii) compatible with the provision of an end-to-end service in which at least 85% of <u>postal packets</u> are <u>deemed delivered</u> in D + 3 and at least 97% of <u>postal packets</u> are <u>deemed delivered</u> in D + 5; and</p> <p>(ii) the service or services are capable of purchase by postage stamp</p> |

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| | <p>and may be capable of purchase by other reasonable methods;</p> <p>(iii) the service or services include provision of a <u>Certificate of Posting</u> on request where the <u>postal packet</u> is deposited at a <u>post office</u>.</p> <p>The services must include one or more services for the conveyance of each of the following:</p> <ul style="list-style-type: none"> • <u>registered items</u>; • <u>insured items</u>. |
| DUSP 1.6.1(g) | <p>One or more <u>single piece services</u> for the conveyance of <u>postal packets</u> to <u>ROW offices of exchange</u> for onward delivery to each country of the world other than countries within the European Union, where—</p> <p>(i) in relation to each country, the <u>postal packet</u> is conveyed to the <u>ROW office of exchange</u> within a period that is—</p> <ul style="list-style-type: none"> (a) reasonable; and (b) compatible with a <u>target routing time</u> for the provision of the end-to-end service of D + 7; <p>(ii) the service or services are capable of purchase by postage stamp and may be capable of purchase by other reasonable methods; and</p> <p>(iii) the service or services include provision of a <u>Certificate of Posting</u> is provided where the <u>postal packet</u> is deposited at a <u>post office</u>.</p> <p>The services must include one or more services for the conveyance of each of the following:</p> <ul style="list-style-type: none"> • <u>registered items</u>; • <u>insured items</u>. |
| DUSP 1.6.1(h) | <p>One or more <u>single piece services</u> for the conveyance of <u>postal packets</u> to <u>ROW offices of exchange</u> for onward delivery to each country of the world other than countries within the European Union, where—</p> <p>(i) in relation to each country, the <u>postal packet</u> is conveyed to the <u>ROW office of exchange</u> within a period that is—</p> <ul style="list-style-type: none"> (a) reasonable; and (b) compatible with a <u>target routing time</u> for the provision of the end-to-end service of D + 72; <p>(ii) the service or services are capable of purchase by postage stamp and may be capable of purchase by other reasonable methods; and</p> <p>(iii) the service or services include provision of a <u>Certificate of Posting</u> is provided where the <u>postal packet</u> is deposited at a <u>post office</u>.</p> <p>The services must include one or more services for the conveyance of each of the following:</p> <ul style="list-style-type: none"> • <u>registered items</u>; • <u>insured items</u>. |
| DUSP 1.6.1(i) | <p>One or more <u>single piece services</u> for the onward conveyance and delivery within the United Kingdom of <u>postal packets</u> collected from <u>EU offices of exchange</u> for <u>postal packets</u> originating from each country within the</p> |

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| | <p>European Union other than the United Kingdom, where in relation to each country, the <u>postal packet</u> is conveyed from the <u>EU office of exchange</u> to the delivery point within a period that is—</p> <p>(a) reasonable; and</p> <p>(b) compatible with the provision of an end-to-end service in which at least 85% of <u>postal packets</u> are <u>deemed delivered</u> in D + 3 and at least 97% of <u>postal packets</u> are <u>deemed delivered</u> in D + 5.</p> |
| DUSP 1.6.1(j) | <p>One or more <u>single piece services</u> for the onward conveyance and delivery within the United Kingdom of <u>postal packets</u> collected from <u>ROW offices of exchange</u>, where in relation to each country, the <u>postal packet</u> is conveyed from the <u>ROW office of exchange</u> to the delivery point within a reasonable period.</p> |
| | <i>Overseas operators</i> |
| DUSP 1.6.2 | <p>The <u>universal service provider</u> shall use reasonable endeavours directly or indirectly to establish arrangements with <u>postal operators</u> in countries outside the United Kingdom for them to—</p> <p>(a) deliver to the <u>universal service provider</u> any <u>postal packets</u> posted from outside the United Kingdom for addressees in the United Kingdom; and</p> <p>(b) deliver to addressees within their country of operation any <u>postal packets</u> posted from inside the United Kingdom for addressees in their country of operation.</p> |
| | <i>End-to-end services to be provided free of charge</i> |
| DUSP 1.6.3 | <p>Except as set out in DUSP 1.3, the <u>universal service provider</u> shall provide the following <u>postal services</u> free of charge throughout the United Kingdom, save as otherwise specified, and on fair and reasonable terms every day on which a collection is required by DUSP 1.5.</p> |
| | <ul style="list-style-type: none"> • <i>Legislative petitions and addresses</i> |
| DUSP 1.6.3(a) | <p>A <u>domestic postal service</u> for the conveyance of <u>legislative petitions and addresses</u> within a reasonable period.</p> |
| | <ul style="list-style-type: none"> • <i>Services for blind or partially sighted persons</i> |
| DUSP 1.6.3(b) | <p>A <u>domestic postal service</u> having a <u>target routing time</u> of D + 1, which conveys <u>eligible items</u> weighing up to 7 kilograms in aggregate per <u>postal packet</u>—</p> <p>(i) to <u>blind</u> or <u>partially sighted</u> persons;</p> <p>(ii) from <u>blind</u> or <u>partially sighted</u> persons; or</p> <p>(iii) from organisations representing <u>blind</u> people or providing a service specifically designed for <u>blind</u> or <u>partially sighted</u> persons.</p> <p>The service required does not include the conveyance of <u>insured items</u>.</p> |

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| <p>DUSP 1.6.3(c)</p> | <p>The services described in DUSP 1.6.3(d) to (f) for the conveyance of <u>eligible items</u> to <u>EU offices of exchange</u> and <u>ROW offices of exchange</u> for onward conveyance to any country in the world other than the United Kingdom—</p> <p>(i) to <u>blind</u> or <u>partially sighted</u> persons;</p> <p>(ii) from <u>blind</u> or <u>partially sighted</u> persons; or</p> <p>(iii) from organisations representing <u>blind</u> people or providing a service specifically designed for <u>blind</u> or <u>partially sighted</u> persons.</p> <p>The services required do not include the conveyance of <u>insured items</u>.</p> |
| <p>DUSP 1.6.3(d)</p> | <p>One or more services for the conveyance of <u>postal packets</u> weighing no more than 7 kilograms, where the <u>postal packet</u> is conveyed to the <u>EU office of exchange</u> or the <u>ROW office of exchange</u> (as the case may be) within a period that is—</p> <p>(i) reasonable; and</p> <p>(ii) compatible with a <u>target routing time</u> for the provision of the end-to-end service of D + 72.</p> |
| <p>DUSP 1.6.3(e)</p> | <p>One or more services for the conveyance of <u>postal packets</u> weighing no more than 1 kilogram, where the <u>postal packet</u> is conveyed to the <u>EU office of exchange</u> or the <u>ROW office of exchange</u> (as the case may be) within a period that is—</p> <p>(i) reasonable; and</p> <p>(ii) compatible with a <u>target routing time</u> for the provision of the end-to-end service of D + 7.</p> |
| <p>DUSP 1.6.3(f)</p> | <p>One or more services for the conveyance of <u>postal packets</u> weighing more than 1 kilogram and up to 7 kilograms to any territory not listed in Annex 1 to this Condition, where the <u>postal packet</u> is conveyed to the <u>EU office of exchange</u> or the <u>ROW office of exchange</u> (as the case may be) within a period that is—</p> <p>(i) reasonable; and</p> <p>(ii) compatible with a <u>target routing time</u> for the provision of the end-to-end service of D + 7.</p> <p>A price may be charged by a <u>universal service provider</u> for the provision of a service falling within this DUSP 1.6.3(f) if the condition below is satisfied.</p> <p>The condition is that the price (“P”) for conveyance of the <u>postal packet</u> concerned were the <u>postal packet</u> to be conveyed in the provision of a service set out in DUSP 1.6.1(g) exceeds the price (“Q”) for conveyance of the <u>postal packet</u> were it to be conveyed in the provision of a service falling within DUSP 1.6.1(h).</p> <p>The price that may be charged in accordance with this is an amount not exceeding the difference between P and Q.</p> |

1.7 Obligation to provide addressee services

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| <p>DUSP 1.7.1</p> | <p>Except as set out in DUSP 1.3, the <u>universal service provider</u> shall provide the following <u>postal services</u> to addressees at affordable prices determined in accordance with a public tariff which is uniform throughout the United Kingdom, on fair and reasonable terms, and shall be available for</p> |
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| | acquisition every <u>working day</u> . |
| | <ul style="list-style-type: none"> • Redirection services |
| DUSP 1.7.1(a) | <p>One or more services for addressees providing that during a specified reasonable period all <u>postal packets</u> addressed to a named individual should be conveyed to a postal address other than that marked on the <u>postal packet</u> (“the <u>redirection address</u>”) within a reasonable period, save that this service is not required-</p> <p>(i) where the <u>redirection address</u> is outside the United Kingdom and—</p> <ul style="list-style-type: none"> • the <u>postal packet</u> contains <u>registered items</u> or <u>insured items</u>; or • the <u>postal packet</u> exceeds 100 grams in weight, 240 millimetres in length, 165 millimetres in width or 25 millimetres in thickness. <p>(ii) in relation to <u>postal packets</u> to a particular addressee or from a particular sender or class of sender, where the provision of the service in relation to those <u>postal packets</u> would create a substantial risk of crime;</p> <p>(iii) where the address marked on the <u>postal packet</u> or the redirection address relates to premises in relation to which it is reasonable not to provide the service; or</p> <p>(iv) where the <u>redirection address</u> is a <u>delivery office</u> or a <u>post office</u>.</p> |
| | <ul style="list-style-type: none"> • Post restante services |
| DUSP 1.7.1(b) | <p>One or more free of charge services for addressees, which provide—</p> <p>(i) for the address of any specified <u>post office</u> in the UK to be used as an addressee’s postal address for a reasonable period, and</p> <p>(ii) for <u>postal packets</u> for that addressee to be held at that <u>post office</u> for a reasonable period for collection by the addressee, provided, in relation to any <u>post office</u>, that it is reasonable for the <u>post office</u> concerned to be used to provide the service.</p> |
| | <ul style="list-style-type: none"> • Retention services |
| DUSP 1.7.1(c) | <p>One or more services for addressees which provide for a delay for a specified reasonable period to the target delivery date otherwise applicable to any <u>postal packets</u>.</p> |

1.8 Obligation to provide access points for the universal service

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| DUSP 1.8.1 | <p>Except as <u>OFCOM</u> may have directed otherwise, the <u>universal service provider</u> shall provide, or procure the provision of, <u>letter boxes</u> and other <u>access points</u> for the purpose of providing the universal postal services referred to in DUSP 1.6 in a manner which meets the reasonable needs of <u>users</u> having regard to the costs of providing and servicing such <u>access points</u>.</p> |
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| <p>DUSP 1.8.2</p> | <p>The <u>universal service provider</u> shall be regarded as having met its obligations under DUSP 1.8.1 if –</p> <p>(a) in each <u>postcode area</u> where the delivery point density is not less than 200 delivery points per square kilometre, not less than 99% of <u>users of postal services</u> are within 500 metres of a <u>letter box</u>; and</p> <p>(b) the distribution of <u>access points</u> capable of receiving the largest relevant <u>postal packets</u> and <u>registered items</u> is such that –</p> <p>i. in the UK as a whole the premises of not less than 95% of <u>users of postal services</u> are within 5 kilometres of such an <u>access point</u>; and</p> <p>ii. in all <u>postcode areas</u> the premises of not less than 95% of <u>users of postal services</u> are within 10 kilometres of such an <u>access point</u>, and such <u>access points</u> are available to the public in accordance with conveniently published schedules.</p> |
| <p>DUSP 1.8.3</p> | <p>The <u>universal service provider</u> shall establish, maintain, and review annually a statement of arrangements to ensure that <u>users of postal services</u> whose premises are not within 10 kilometres of an <u>access point</u> provided pursuant to DUSP 1.8.2(b) will be provided with reasonable access to such facilities.</p> |
| <p>DUSP 1.8.4</p> | <p>The <u>universal service provider</u> shall establish, maintain and review annually a statement of arrangements to ensure that <u>users of postal services</u> who are <u>blind</u>, <u>partially sighted</u>, infirm through age, chronically sick, or disabled are able to post <u>postal packets</u> using the universal services regularly and as far as possible without significant cost to those <u>users</u> attributable to their difficulties.</p> |

1.9 Obligation to meet performance targets

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| <p>DUSP 1.9.1</p> | <p>The <u>universal service provider</u> shall meet the performance targets set out in Table 1 and in Table 2 for the <u>universal services</u> included in that Table, measured on average in the United Kingdom as a whole throughout the periods of 12 months ending on 31 March in each year, excluding the <u>Christmas period</u>.</p> |
| <p>DUSP 1.9.2</p> | <p>The <u>universal service provider</u> shall monitor or procure the monitoring of its performance in relation to the standards set out in Table 1 using an <u>appropriate testing methodology</u>.</p> |
| <p>DUSP 1.9.3</p> | <p>The <u>universal service provider</u> shall subject its monitoring to review annually as set out in Table 1, where:</p> <p>(a) Method A means the <u>universal service provider</u> shall appoint an independent person to test and give an opinion on the suitability of the methodology used; and</p> <p>(b) Method B means the <u>universal service provider</u> shall permit and cooperate with audit of its monitoring by persons appointed by <u>OFCOM</u> with the agreement of the <u>universal service provider</u>, which shall not be unreasonably withheld.</p> |
| <p>DUSP 1.9.4</p> | <p>The <u>universal service provider</u> shall monitor or procure the monitoring of its performance in relation to the D+3 standard set out in Table 2 for USO outgoing European Union services using an <u>appropriate testing methodology</u>.</p> |

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| DUSP 1.9.5 | Where a standard in Table 1 or Table 2 is expressed by reference to <u>deemed delivery</u> , this shall entail no obligation to monitor separately each one of the ways in which <u>deemed delivery</u> may be achieved. |
| DUSP 1.9.6 | The <u>universal service provider</u> shall at all times maintain and comply with a code of practice for identifying the incidence of, and addressing the causes of, significant failure to meet the performance targets in relation to any <u>postcode districts</u> within a <u>postcode area</u> in which the performance targets overall are met. |

Table 1 – domestic standards, performance targets and monitoring

| USO | Standard | Performance target (%) | Review of monitoring method |
|-------------------------------------|--|------------------------|-----------------------------|
| Deliveries | | | |
| DUSP 1.4.1 and 1.4.2 | Delivery routes completed each day upon which a delivery is required by DUSP 1.4.1 and DUSP 1.4.2. | 99.90 | A |
| | <u>Postal packets deemed delivered</u> in the UK in the provision of the universal service. | 99.50 | B |
| DUSP 1.10.2 | Deliveries made every day upon which a delivery is required by DUSP 1.4.1 and DUSP 1.4.2, by the latest delivery time notified to <u>OFCOM</u> in accordance with DUSP 1.10.2. | N/A | B |
| Collections | | | |
| DUSP 1.5 | Public <u>access points</u> used in the provision of any <u>postal service</u> provided pursuant to DUSP 1.6, served each day upon which a collection is required by DUSP 1.5. | 99.90 | A |
| DUSP 1.5 and 1.10.2 | Collections made every day upon which a collection is required by DUSP 1.5 from <u>letter boxes</u> and other public <u>access points</u> used in the provision of any <u>domestic service</u> provided pursuant to DUSP 1.6, at or after the final time of collection advertised on the <u>access point</u> . | N/A | A |
| Domestic end-to-end services | | | |
| DUSP 1.6.1(a) | USO priority services: <u>deemed delivered</u> with an <u>actual routing time</u> of D+1. | 93.0 | B |
| DUSP 1.6.1(a) | USO priority services purchased by postage stamp and by <u>meter</u> : <u>deemed delivered</u> with an <u>actual routing time</u> of D+1 in each <u>postcode area</u> apart from HS, KW and ZE. | 91.5 | B |
| DUSP 1.6.1(a) | USO priority services purchased by postage stamp and by <u>meter</u> : <u>deemed delivered</u> with an <u>actual routing time</u> of D+1 in each of the <u>postcode areas</u> HS, KW and ZE. | N/A | B |
| DUSP 1.6.1(b) | USO standard services for <u>postal packets</u> weighing up to 1kg: <u>deemed delivered</u> with an <u>actual routing time</u> of D+3. | 98.5 | B |
| DUSP 1.6.1(b) | USO standard services for <u>postal packets</u> weighing more than 1kg: <u>deemed delivered</u> with an <u>actual routing time</u> of D+3. | 90.0 | B |

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| DUSP 1.6.1(d) | USO registered and insured services for postal packets weighing no more than 10 kilograms: <u>deemed delivered</u> with an <u>actual routing time</u> as specified in accordance with DUSP 1.6.1(d). | 99.0 | A |
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Table 2 – EU standards and performance targets

| USO | Standard | Performance target (%) |
|---------------|---|------------------------|
| DUSP 1.6.1(g) | USO incoming European Union services <u>deemed delivered</u> with an <u>actual routing time</u> of D+3. | 85 |
| DUSP 1.6.1(g) | USO incoming European Union services <u>deemed delivered</u> with an <u>actual routing time</u> of D+5. | 97 |
| DUSP 1.6.1(f) | USO outgoing European Union services <u>deemed delivered</u> with an <u>actual routing time</u> of D+3. | 85 |
| DUSP 1.6.1(f) | USO outgoing European Union services <u>deemed delivered</u> with an <u>actual routing time</u> of D+5. | 97 |

1.10 Obligation to notify and publish information

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| DUSP 1.10.1 | The <u>universal service provider</u> shall notify <u>OFCOM</u> and the <u>Council</u> of, and publish in such a manner as will ensure reasonable publicity for it – (a) the brand names of the services it provides with a view to meeting its obligations under DUSP 1.6 and 1.7; (b) the terms and conditions of those services (including prices); and (c) any proposed change to the information in (a) and (b), at least one month in advance of the date on which it is to be implemented. |
| DUSP 1.10.2 | The <u>universal service provider</u> shall notify <u>OFCOM</u> and the <u>Council</u> of, and publish in such a manner as will ensure reasonable publicity for it – (a) the <u>latest delivery times</u> for the United Kingdom and the <u>specified collection times</u> ; (b) any changes it intends to make to its <u>latest delivery times</u> and its <u>specified collection times</u> not less than three months prior to the change being made; and (c) every re-classification of addresses that will result in the <u>latest delivery time</u> of an address becoming later and of every re-classification of <u>access points</u> that will result in an <u>access point's specified collection time</u> starting earlier, within one month of such a change. |
| DUSP 1.10.3 | The <u>universal service provider</u> shall publish its <u>latest delivery times</u> and its <u>specified collection times</u> and shall ensure any changes to them are published within one month of the change in such a manner as will ensure reasonable publicity for them. |
| DUSP 1.10.4 | The <u>universal service provider</u> shall publish, in such a manner as will ensure reasonable publicity for them, its statement of arrangements under DUSP 1.8.3 (access arrangements for premises more than 10 km from access points) and DUSP 1.8.4 (access arrangements for those facing mobility challenges). |
| DUSP 1.10.5 | The <u>universal service provider</u> shall notify <u>OFCOM</u> and the <u>Council</u> and publish, no later than two months from the end of each quarter, its |

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| | performance for that quarter in relation to - (a) all the standards in Table 1; and (b) the D+3 standard for European Union outgoing services. |
| DUSP 1.10.6 | The <u>universal service provider</u> shall notify <u>OFCOM</u> and the <u>Council</u> and publish in such a manner as will ensure reasonable publicity for it, no later than two months from the end of each <u>Christmas period</u> , its performance during that <u>Christmas period</u> in relation to - (a) the D+3 standard for European Union outgoing services; and (b) all the standards in Table 1 apart from - (i) deliveries made every <u>working day</u> by the latest delivery time notified to <u>OFCOM</u> in accordance with DUSP 1.10.2; and (ii) collections made each <u>working day</u> from <u>letter boxes</u> and other <u>access points</u> used in the provision of any <u>domestic service</u> provided pursuant to DUSP 1.6, at or after the final time of collection advertised on the <u>access point</u> . |
| DUSP 1.10.7 | The <u>universal service provider</u> shall notify <u>OFCOM</u> and the <u>Council</u> and publish in such a manner as will ensure reasonable publicity for it, no later than three months from 31 March each year, its performance in relation to the following standards for the period of 12 months ending 31 March, (providing both adjusted and unadjusted results when appropriate ⁷): (a) the D+3 standard for European Union outgoing services; and (b) all the standards in Table 1. |
| 1.10.8 | The <u>universal service provider</u> shall ensure that <u>OFCOM</u> and the <u>Council</u> are provided with up to date copies of the code of practice maintained in accordance with DUSP 1.9.6. |

1.11 Obligation to maintain and review contingency plans

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| DUSP 1.11.1 | The <u>universal service provider</u> shall at all times maintain appropriate contingency plans, which set out the measures to be taken by the <u>universal service provider</u> to ensure as far as practicable the provision of the services required by DUSP 1.4 to 1.7 without interruption, suspension or restriction of any service in the event, locally, regionally or nationally, of industrial action, an emergency or a natural disaster, and implement those plans, as appropriate, where such events occur. |
| DUSP 1.11.2 | At least once every two years from the <u>appointed date</u> , the <u>universal service provider</u> must review and where appropriate, update or amend its contingency plans. |

⁷ E.g. to take account of a force majeure incident.

Annex 1

The countries are—

- | | | |
|-----------------------|-------------------|-----------------------|
| — Albania, | — France, | — Montenegro, |
| — Andorra, | — Georgia, | — Netherlands, |
| — Armenia, | — Germany, | — Norway, |
| — Austria, | — Gibraltar, | — Poland, |
| — Azerbaijan, | — Greece, | — Portugal, |
| — Azores, | — Greenland, | — Romania, |
| — Balearic Islands, | — Hungary, | — Russia, |
| — Belarus, | — Iceland, | — San Marino, |
| — Belgium, | — Irish Republic, | — Serbia, |
| — Bosnia-Herzegovina, | — Italy, | — Slovak Republic, |
| — Bulgaria, | — Kazakhstan, | — Slovenia, |
| — Canary Islands, | — Kirghizstan, | — Spain, |
| — Corsica, | — Kosovo | — Spitzbergen, |
| — Croatia, | — Latvia, | — Sweden, |
| — Cyprus, | — Liechtenstein, | — Switzerland, |
| — Czech Republic, | — Lithuania, | — Tajikistan, |
| — Denmark, | — Luxembourg, | — Turkey, |
| — Estonia, | — Macedonia, | — Turkmenistan, |
| — F roe Islands, | — Madeira, | — Ukraine, |
| — Finland, | — Malta, | — Uzbekistan, |
| | — Moldova, | — Vatican City State. |
| | — Monaco, | |

Table of terms defined in the Act

This table is provided for information and does not form a part of this condition. We make no representations as to its accuracy or completeness. Please refer to the Act.

| Defined term | Section of the Act |
|--|--|
| <i>access points</i> | <i>29(11)</i> |
| <i>legislative petitions and addresses</i> | <i>32(2)</i> |
| <i>OFCOM</i> | <i>90</i> |
| <i>postal network</i> | <i>38(3)</i> |
| <i>postal operator</i> | <i>27(3)</i> |
| <i>postal packet</i> | <i>27(2)</i> |
| <i>universal service provider</i> | <i>65(1) and Schedule 9 paragraph 3(3)</i> |
| <i>user</i> | <i>65(1)</i> |

SCHEDULE 2

DESIGNATED USP CONDITION 2 SAFEGUARD CAP PRICE CONTROL

2.1. Application, Definitions and Interpretation

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| DUSP 2.1.1 | This designated USP condition (“ DUSP Condition ”) shall apply to the <u>universal service provider</u> . |
| DUSP 2.1.2 | In this DUSP Condition— <p>(a) “Relevant Year” means one of the following periods:</p> <p>(1) the period beginning on 1 April 2012 and ending on 31 March 2013 (the “First Relevant Year”);</p> <p>(2) the period beginning on 1 April 2013 and ending on 31 March 2014 (the “Second Relevant Year”);</p> <p>(3) the period beginning on 1 April 2014 and ending on 31 March 2015 (the “Third Relevant Year”);</p> <p>(4) the period beginning on 1 April 2015 and ending on 31 March 2016 (the “Fourth Relevant Year”);</p> <p>(5) the period beginning on 1 April 2016 and ending on 31 March 2017 (the “Fifth Relevant Year”);</p> <p>(6) the period beginning on 1 April 2017 and ending on 31 March 2018 (the “Sixth Relevant Year”);</p> <p>(7) the period beginning on 1 April 2018 and ending on 31 March 2019 (the “Seventh Relevant Year”);</p> <p>(b) “Consumer Prices Index” means the index of consumer prices compiled by an agency or a public body on behalf of Her Majesty’s Government or a governmental department (which is the Office for National Statistics at the time of publication of this Notification) from time to time in respect of all items;</p> <p>(c) “Royal Mail” means Royal Mail Group Ltd, whose registered company number in England and Wales is 04138203;</p> <p>(d) “CPI” means the amount of the change in the <u>Consumer Prices Index</u> in the period of twelve months ending on 30th September immediately before the beginning of a <u>Relevant Year</u>, expressed as a percentage (rounded to two decimal places) of that <u>Consumer Prices Index</u> as at the beginning of that first mentioned period;</p> <p>(e) “Second Class Post” means a service of sending an item by post where the <u>universal service provider</u> aims to deliver the item no later than the third working day after it was posted. For the purposes of this DUSP Condition it does not include services which are not universal</p> |

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| | <p>services or which include charges in respect of additional registered, insured, tracked or recorded services;</p> <p>(f) “Standard Letter” means a letter weighing up to 100 grams that is no more than 5 millimetres thick and up to 240 millimetres in length and up to 165 millimetres in width.</p> |
| DUSP 2.1.3 | <p>For the purpose of interpreting this DUSP Condition—</p> <p>(a) except in so far as the context otherwise requires, words or expressions shall have the meaning assigned to them in DUSP 2.1.2 above and otherwise any word or expression shall have the same meaning as it has been ascribed for the purpose of Part 3 of the <u>Act</u>;</p> <p>(b) headings and titles shall be disregarded;</p> <p>(c) expressions cognate with those referred to in this DUSP Condition shall be construed accordingly; and</p> <p>(d) the Interpretation Act 1978 (c. 30) shall apply as if this DUSP Condition were an Act of Parliament.</p> |
| <u>2.2 Maximum price to be charged for specified services</u> | |
| DUSP 2.2.1 | <p>This DUSP Condition specifies the maximum amount that the <u>universal service provider</u> shall be permitted to charge for the service of sending a single <u>Standard Letter</u> by <u>Second Class Post</u>. In the <u>First Relevant Year</u>, the maximum amount that the <u>universal service provider</u> shall be permitted to charge for sending a single <u>Standard Letter</u> by <u>Second Class Post</u> shall be the amount of 55 pence.</p> |
| DUSP 2.2.2 | <p>For each <u>Relevant Year</u> after the <u>First Relevant Year</u> the maximum amount that the <u>universal service provider</u> shall be permitted to charge for sending a single <u>Standard Letter</u> by <u>Second Class Post</u> shall be the maximum amount that the <u>universal service provider</u> was permitted to charge for that service in the previous <u>Relevant Year</u> increased by <u>CPI</u>.</p> |
| DUSP 2.2.3 | <p>Where the <u>universal service provider</u> makes a material change (other than to a charge) to any product or service which is subject to this Condition or there is a material change in the basis of the <u>Consumer Prices Index</u>, DUSP Conditions 2.2.1 and 2.2.2 shall have effect subject to such reasonable adjustment to take account of the change as <u>OFCOM</u> may direct to be appropriate in the circumstances. For these purposes a material change to any product or service which is subject to this DUSP Condition includes the introduction of a new product or service wholly or substantially in substitution for that existing product or service.</p> |
| DUSP 2.2.4 | <p>The <u>universal service provider</u> shall record, maintain and supply to <u>OFCOM</u> in writing, no later than three months after the end of each <u>Relevant Year</u>, the data necessary for <u>OFCOM</u> to monitor</p> |

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| | compliance of the <u>universal service provider</u> with the requirements of this Condition. |
| DUSP 2.2.5 | This DUSP Condition shall not apply to such extent as <u>OFCOM</u> may direct. |
| DUSP 2.2.6 | The <u>universal service provider</u> shall comply with any direction <u>OFCOM</u> may make from time to time under this DUSP Condition. |

Table of terms defined in the Act

This table is provided for information and does not form a part of this condition. We make no representations as to its accuracy or completeness. Please refer to the Act.

| <i>Defined term</i> | <i>Section of the Act</i> |
|-----------------------------------|--|
| <i>OFCOM</i> | <i>90</i> |
| <i>universal service provider</i> | <i>65(1) and Schedule 9 paragraph 3(3)</i> |