

Dear Gavin,

By way of a response to your consultation on Securing the Universal Postal Service, I hope you will accept this letter and the attached research.

Citizens Advice Scotland recently carried out a survey of consumers in rural and remote parts of Scotland to ascertain their experience of delivery of goods ordered online. This survey was initiated after several rural CAB reported that local consumers felt they were often over charged for delivery and sometimes unable to get goods delivered due to where they lived.

Our survey results are attached. They show the strength of feeling amongst Scotland's rural consumers that they are being disadvantaged by many delivery companies.

One of the common comments from the 863 respondents was that they very much valued the Royal Mail's universal service and felt that this offered them some protection from high charges. This was particularly the case where consumers were buying goods from individual sellers on sites like Amazon and eBay. In many cases, consumers were angry that sellers had chosen to use private courier firms instead of the Royal Mail's lower price for sending parcels.

In light of our findings, we have some concerns regarding Ofcom's proposals around the Universal Postal Service, as well as some suggestions.

Firstly, we are concerned at any proposal to remove price controls. Whilst we understand the difficult position in which Ofcom finds itself regarding the Royal Mail's financial sustainability, we do not believe that the removal of price controls would be beneficial to consumers.

Your consultation pointed out that the existing price controls help to keep the price of competitors' services affordable for consumers. Given the findings of our research, it would seem that consumers already view the price of competitors' services as being too high in many cases, therefore removing any price controls would seem to us to be misguided.

Secondly, and in answer to consultation question 6.1, we welcome Ofcom's proposal to impose a regulatory condition on the Royal Mail to require it to provide the universal service.

Our recent research gave consumers the opportunity to give their thoughts on delivery costs and practices, and resulted in several suggestions coming to light from consumers.

One question which was asked by many of our survey respondents was "why is the Royal Mail's parcel delivery service the only regulated part of the industry?" Our respondents were not clear about the reason why couriers and other delivery companies appeared to be free to charge whatever they liked or even refuse to deliver to certain areas. They felt that it would be beneficial for consumers if such companies were bound by a similar universal service obligation to that of the Royal Mail.

The survey also produced some suggestions on how the Royal Mail's service might be improved. Several respondents commented that many couriers will pick up deliveries that are to be made, direct from the sender. Respondents felt that if Royal Mail provided a pick up service for consumers who wished to send parcels, that they would be willing to pay a small fee for this.

I hope that this information is helpful in your consultation. Please get in touch if I can provide any further information on our research.

Kind regards,

Sarah