

Reference: 01552164

Zach Westbrook Information Rights Advisor information.requests@ofcom.org.uk

3 February 2023

Freedom of Information request: Right to know request

Thank you for your request for information concerning communications between Royal Mail and Ofcom regarding the withdrawal of classic postage stamps. Your request was received on 6 January 2023 and we have considered it under the Freedom of Information Act 2000.

Your original request

I have only recently become aware of the decision by the Royal Mail to cease honouring for postage purposes postage stamps purchased in good faith in recent years for exclusive use for postage. I am not aware of what has been alleged to justify this action by the sole source in the UK of postage stamps, or the short period in which Royal Mail customers have to take action.

I gather that Post Offices, the source of postage stamps in previous years, will not be participating in the exchange programme, which only makes the Royal Mail decision all the more problematic.

Did Royal Mail need permission from OFCOM to take this action? If so, please supply a copy of the decision and of the terms and conditions imposed by OFCOM.

Was there a public consultation on this remarkable proposal?

Your follow-up request

Did Royal Mail need permission from OFCOM to take this action? If so, please supply a copy of the decision and of the terms and conditions imposed by OFCOM.

Was there a public consultation on this remarkable proposal?

It is unclear whether the position is that:

- Royal Mail was able to carry out this action without any regulatory approval; or
- Regulatory approval was required and obtained.

Please clarify. If OFCOM consented to this, please indicate what conditions were attached to the consent.

Have you familiarized yourselves with how the replacement scheme works? I note post offices have declined to participate and that it seems to require finding a Royal Mail office and going to join what

will presumably be a long queue. Are Royal Mail taking on extra staff who will be dedicated to this unnecessary operation? Will pop up offices be opened?

What data do you have on how many stamps may need replacing? This will have been a relevant factor in OFCOM exercising any of its formal powers (or even giving informal guidance to Royal Mail).

Please supply copies of all communications between Royal Mail and OFCOM about this proposal. Please treat this as a freedom of information request.

I am particularly puzzled by your comments below:

while it is unreasonable to expect this to operate indefinitely, we expect that it will run beyond the 'use by' date for existing stamps

Please explain:

- why you consider "this" is unreasonable.
- Please explain what you mean by the "use by date" for existing stamps.

Our response

The design and use of postal stamps is a commercial matter for Royal Mail, which Ofcom was not involved in. Royal Mail outlined its reasons for introducing barcodes onto stamps in a public announcement on 31 March 2022, which include that this is part of the company's modernisation of services and will enable added security features as well as options for future innovations. Ofcom is also not involved in any decision-making or approval process associated with Royal Mail's "swap out" scheme for non-barcoded stamps, and accordingly we do not hold any advice, guidance or approvals given to Royal Mail on this matter.

We have been engaging with Royal Mail, alongside consumer advocacy bodies, to ensure Royal Mail communicates the changes and timeframe for phasing out old stamps. We understand that there are specific reasons why Post Offices are not directly involved in assessing the validity of old stamps as part of the swap out scheme. However, Post Offices are able to advise customers about the scheme and how to access forms to initiate the process. There are various ways customers can request forms, including a telephone helpline. Post Offices can now assist with the provision of relevant forms and guidance on how to post the form, and decommissioned stamps, to Tallents House, Edinburgh. More information about the swap out scheme is available on the Royal Mail website.

Regarding your question about "what data do you have on how many stamps may need replacing?", we do not hold data relating to this specific point.

While we do hold some information relating to the swap out scheme, we are unable to provide the information we do hold under Section 44 of the FOI Act. Section 44(1) provides that information is exempt from disclosure if its disclosure is prohibited by or under any enactment. In this instance, disclosure of such information is prohibited under section 56 of the Postal Services Act 2011. Section 56 of the Postal Services Act 2011 prevents us from disclosing information that we have obtained, which relates to the affairs of a particular business (so long as the business is being carried on), unless we have the consent of that business or one of the other gateways for disclosure in section 56(2) of the Postal Services Act 2011 applies, neither of which apply here. Section 44 is an absolute exemption under the Act and does not require a public interest test.

The use by date was set by Royal Mail as being 31 January 2023. However, it is adopting a grace period up to 31 July 2023 where the use of relevant non-barcoded stamps will be treated as 'postage-paid' mail and not subject to surcharge, which means such items will be delivered without undue disruption or delay.

Please note that some of your questions are not requests for information/documents we hold but rather asking for an opinion and therefore we consider that these are not valid requests under the FOI Act.

I hope this information is helpful. If you have any further queries, then please send them to information.requests@ofcom.org.uk quoting the reference number above in any future communications.

Yours sincerely

Zach Westbrook

If you are unhappy with the response you have received in relation to your request for information and/or consider that your request was refused without a reason valid under the law, you may ask for an internal review. If you ask us for an internal review of our decision, it will be subject to an independent review within Ofcom.

The following outcomes are possible:

- the original decision is upheld; or
- the original decision is reversed or modified.

Timing

If you wish to exercise your right to an internal review **you should contact us within two months of the date of this letter.** There is no statutory deadline for responding to internal reviews and it will depend upon the complexity of the case. However, we aim to conclude all such reviews within 20 working days, and up to 40 working days in exceptional cases. We will keep you informed of the progress of any such review. If you wish to request an internal review, you should contact information.requests@ofcom.org.uk

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. Further information about this, and the internal review process can be found on the Information Commissioner's Office here. Alternatively, the Information Commissioner can be contacted at:

Information Commissioner's Office Wycliffe House Water Lane Wilmslow Cheshire SK9 5AF