

Helen Hayes MP



HOUSE OF COMMONS

LONDON SW1A 0AA

Ms Melanie Dawes
Chief Executive
Ofcom
Riverside House
2a Southwark Bridge Road
London
SE1 9HA

Our Ref: ZA58047

1 April 2022

Dear Ms Dawes,

Re Ofcom Consultation on the Review of Postal Regulation

I am writing with regard to Ofcom's recent consultation on the review of postal regulation. I wanted to ensure that in considering the review, you are fully aware of the experience of my constituents with regard to postal services.

In 2017, Royal Mail announced that they planned to close two delivery offices in my constituency, the SE22 delivery office on Silvester Road and the SE27 delivery office on Windsor Grove. It was very clear both to local residents and elected representatives that these closures would be a disaster for postal delivery services. Following a large public campaign, Royal Mail decided not to close the SE27 delivery office, but they went ahead with the SE22 closure in the autumn of 2018, shortly before Christmas.

The closure of the SE22 delivery office heralded a disastrous deterioration in the reliability of postal services for local residents in the SE22 area. The delivery office was merged with the SE15 delivery office, which is too small to cope with the volume of parcels for two postcode areas. It is located a considerable distance from the furthest parts of SE22, and the area has challenging topography.

When the office initially closed, services collapsed, with many streets not receiving postal deliveries for days or weeks at a time, and customers having to queue for hours to pick up parcels. The situation was completely chaotic. Following the initial Christmas peak in 2018, services improved somewhat, but ever since that time it has been clear that Royal Mail has no resilience in the SE15 and can only maintain a satisfactory level of service when all conditions are optimal. Whenever there are any increased pressures due to peak periods, staff sickness or adverse weather, and the service in large parts of SE22 quickly becomes completely unreliable.

The consequences of poor and unreliable postal delivery services for my constituents have been severe. I have heard from constituents who have missed medical appointments, or during the pandemic turned up at hospital for appointments that had been cancelled; lost important legal documents; had to attend court because they had missed the deadline for paying speeding fines. During the pandemic, there have been many heartrending stories which illustrate the important role that postal services still play in people's lives, including children not receiving any birthday cards during lockdown, handmade gifts from grandparents for newborn babies not being delivered, and residents who have been relying on post from family and friends to fend off loneliness and isolation during lockdown waiting for weeks at a time for their post.

In addition, my constituency is home to the Mark Allen Group, magazine publishers who produce 114 publications, including Farmers' Weekly which is delivered nation-wide. They have highlighted the unreliability of postal delivery services in many parts of the country as a serious threat to the viability of their business. They notice significant subscription cancellations which correspond with unreliable postal delivery services.

I have engaged extensively with Royal Mail, the Communication Workers' Union and Ofcom since

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2017 in relation to the problems in SE22, and during the Covid-19 pandemic, problems in other postcode areas in my constituency also, especially SE19, SE24 and SE27.

My engagement with Ofcom has frankly been extremely disappointing. There appeared to be very little interest in the severe problems affecting my constituents and no meaningful action that Ofcom as the regulator was willing or able to take in response.

It is clear to me that there are considerable problems with the regulatory framework which have made it impossible for Royal Mail to be held to account when their services fail. I have set these out below, together with recommendations for the action that is needed to resolve them:

1. There is currently no requirement on Royal Mail to undertake public consultation in relation to a decision to close a delivery office, despite the obvious significant impacts that a closure can have on a local community. In the case of SE22, every single concern that local residents raised in relation to the closure has come to pass. Royal Mail sold the SE22 delivery office for £7m and there was also no requirement to reinvest any of the receipt in the provision of local services. **I urge Ofcom to introduce a new requirement for meaningful public consultation on delivery office closures, and an independent analysis of the impact on local services which must be submitted to Ofcom and signed off before a closure can take place.**

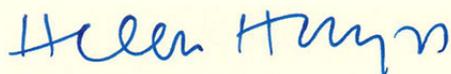
2. Royal Mail is only required to report performance data at the level of the first part of the postcode. This has consistently meant that the catastrophically poor performance in SE22 and other postcode areas in my constituency has been masked by performance data across the wider SE postcode area, which covers a vast swathe of south east London. This has effectively made it impossible to secure any regulatory action for my constituents. I have made repeated requests over a number of years for Royal Mail to provide more granular performance data which have always been refused. This also gives rise to concerns about transparency and accountability. **I urge Ofcom to require Royal Mail to report performance data at the level of local postcodes, so that regulatory action can be taken more easily in relation to individual delivery offices that are failing.**

3. The partial suspension of the Universal Service Obligation during the pandemic, effectively removed all regulatory levers from Royal Mail. Across many streets in my constituency, residents have reported periods when post was not delivered for weeks at a time. When I have raised these concerns with Royal Mail, they have systematically denied the extent of the problem, refused to acknowledge backlogs of mail sitting in delivery offices, or the extent of the gaps in delivery. I am completely clear that Royal Mail have regularly been in breach of the USO in my constituency, but there has been no action from Ofcom in the absence of which Royal Mail is entirely unaccountable for the quality of its services. **I urge Ofcom to review the USO to ensure that meaningful regulatory action can always be taken when there are breaches, and that in circumstances in which the USO is partially or fully suspended there is no vacuum of regulation.**

I trust that you will take these representations into account in your review.

I look forward to hearing from you.

Yours sincerely,



Helen Hayes MP