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To:

All postal operators whom are relevant postal operators (within the meaning set out below) liable to pay administrative charges to Ofcom under paragraph 1(1) of Schedule 4 to the Postal Services Act 2011

1 October 2020

To whom it may concern,

General Demand for annual information required by Ofcom under paragraph 1 of Schedule 8 to the Postal Services Act 2011 and published in accordance with paragraph 4(6) of that Schedule for the purposes of ascertaining or verifying administrative charges payable for each charging year in carrying out postal services functions

This is a formal demand ('**General Demand**') for the required annual information under paragraph 1 of Schedule 8 to the Postal Services Act 2011 ('the **Act**').

This General Demand is addressed to each and every relevant postal operator who is liable to pay to Ofcom its administrative charges under paragraph 1(1) of Schedule 4 to the Act, as determined in accordance with Ofcom's Statement of Charging Principles dated 29 March 2018 (the '**Statement**') for carrying out its postal services functions referred to in paragraph 2 of that Schedule 4.

This General Demand is hereby published on Ofcom's website for the purpose of bringing it to the attention of such liable **relevant postal operators** from whom the information is required in the manner and form specified below for the purpose of ascertaining or verifying the administrative charges payable by a person under paragraph 1(1) of Schedule 4 to the Act. The specific information which must be provided annually by such liable **relevant postal operators** is set out below.

Liable 'relevant postal operators' to whom this General Demand is addressed

Ofcom is funded by (among other things) administrative charges payable by each and every **postal operator** who provides a service within the scope¹ of the universal postal service, whose liability is

¹ Section 40 of the Act provides that: "(1) A postal service is within the scope of the universal postal service if—(a) the service falls within the description of a service set out in the universal postal service order, or (b) the service would fall within the description of a service set out in that order but for the fact that—(i) in the case of a service consisting of the delivery or collection of letters or other postal packets, the delivery or collection is not made on each of the days required by section 31 (see requirements 1 and 2), (ii) the service is not provided throughout the United Kingdom, or (iii) the service is not provided at an affordable price in accordance with a public tariff which is uniform throughout the United Kingdom, or (c) in the opinion of OFCOM the service is of a kind that, from the point of view of users of postal services, could reasonably be said to be interchangeable with a service of a description set out in that order. (2) In this section any reference to a service includes a part of a service."

fixed in accordance with the Statement pursuant to paragraph 1 of Schedule 4 to the Act, as made by Ofcom from time to time.

The Statement determines that the following **postal operators** are liable to pay such charges—

*“Accordingly, Ofcom hereby fixes that administrative charges will be payable by each of those postal operators which are **relevant postal operators** (within the meaning set out below), if (and only if) the **relevant postal operator** in question generated **relevant turnover** (within the meaning set out below) exceeding £5 million, in the last but one 12 month period commencing on 1 April prior to the **charging year** (within the meaning set out below) in question.²”*

For the avoidance of doubt, if you are a **relevant postal operator** (as defined, see below), you are only required to respond to this General Demand by providing the specific information set out below if (and only if) you generated **relevant turnover** (as defined, see below) exceeding £5 million, in the last but one 12 month period commencing on 1 April prior to the **charging year** (as defined, see below) in question. In other words, if your **relevant turnover** is below that threshold, this General Demand is not addressed to you.

Ofcom's principles that apply in fixing and calculating administrative charges are set out in the Statement as published from time to time. The Statement explains, in particular, that—

- the administrative charge payable by a liable **relevant postal operator** will be calculated by multiplying the total estimated cost of Ofcom carrying out its postal services functions referred to in paragraph 2 of Schedule 4 to the Act by that operator's share of **relevant turnover** expressed as a percentage of the total **relevant turnover** generated by all liable **relevant postal operators** for the **charging year** in question;
- if the annual administrative charge as calculated above is more than £75,000, Ofcom will allow monthly payment of the fee. Payment is due on receipt of the notice of the amount due, served on the liable **relevant postal operator** by Ofcom;
- the tariff applicable to the postal services sector will be set out in the tariff tables which will be published by Ofcom on or before 31st March for the following **charging year**.

Interpretation

Except insofar as the context otherwise requires, words or expressions used in this General Demand shall have the same meaning assigned to them in the Statement (see underlined words or expressions) 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.

For ease of reference, the Statement assigns the following meaning (definitions) of words or expressions—

² For example, if the charging year commences on 1 April 2018, the last but one 12 month period commencing on 1 April will be 1 April 2016 until 31 March 2017.

‘charging year’	means a twelve month period commencing on 1 April in a calendar year and ending 31 March in the immediately following calendar year;
‘postal network’	has the meaning given to it in section 38(3) of the Act;
‘postal operator’	has the meaning given to it in section 27(3) of the Act;
‘postal packet’	has the meaning given to it in section 27(2) of the Act;
‘postal services’	has the meaning given to it in section 27(1) of the Act;
‘relevant letter’	means a postal packet that is up to no more than 353mm in length, up to no more than 250mm in width, up to no more than 25mm thick and which weighs up to no more than 750g;
‘relevant letters postal service’	<p>means a service of conveying relevant letters from one place to another by post and the incidental services of receiving, collecting, sorting and delivering relevant letters, excluding—</p> <p>(1) services for which the postal operator has not received any payment, reward, profit or advantage with respect to the conveyance of the relevant letters;</p> <p>(2) services provided by a charity which comprise solely the collection, conveyance and delivery of Christmas cards;</p> <p>(3) express and secured services, that is to say a service involving the conveyance of postal packets and any incidental services of collecting, sorting and delivering those postal packets which have at least one of the following features—</p> <p>(i) a guarantee for delivery by a certain time or date;</p> <p>(ii) a facility enabling the sender and the recipient to monitor the progress of a postal packet through the postal operator’s postal network, including confirmation of delivery;</p> <p>(4) services consisting of the conveyance of relevant letters within a closed user group network, that is to say a system providing for the conveyance of postal packets (and the incidental services of receiving, collecting, sorting and delivering postal packets) between—</p> <p>(i) the premises of one firm and another firm;</p> <p>(ii) a government department and a third party firm;</p> <p>(iii) branches and/or units in the same firm; or</p> <p>(iv) government departments,</p> <p>where both the sender and the recipient of the postal packets have entered into specific arrangements with the postal operator for the conveyance of postal packets to or from other members of that system, which, for the avoidance of doubt, includes a document exchange;</p>

(5) services provided while acting in the capacity of an intermediary **postal operator**, that is to say a **postal operator** that hands over **postal packets** to another **postal operator** (including but not limited to the **universal service provider**) for subsequent conveyance and delivery to the intended recipients of the **postal packets**; and

(6) services consisting of conveying **relevant letters**, which have been sent from a location outside of the United Kingdom and which are addressed for delivery to a location outside of the United Kingdom, out of the United Kingdom;

‘relevant postal operator’

means each of the following—

- (1) a **postal operator** that is a party to a **USP Access Agreement** with the **universal service provider**, including the **universal service provider** itself; and
- (2) a **postal operator** that provides a **relevant letters postal service**;

‘relevant turnover’

means each of the following—

- (1) turnover from **relevant letters postal services**;
- (2) in the case of the **universal service provider**, turnover from giving access to its **postal network** to other **postal operators** and **users of postal services** under, or as a result of, **USP Access Agreements**;
- (3) in the case of other parties to **USP Access Agreements** with the **universal service provider**, turnover from **postal services** provided to other **postal operators** and **users of postal services** by obtaining access to the **universal service provider’s postal network** under, or as a result of, the party’s **USP Access Agreement**, but deducting from that turnover all charges paid or payable to the **universal service provider** for access under the party’s **USP Access Agreement** for the period corresponding to the last but one 12 month period commencing on 1 April prior to the **charging year**;

‘universal service provider’

has the meaning given to it in section 65(1) of, and paragraph 3(3) of Schedule 9 to, the Act;

‘user’

has the meaning given to it in section 65(1) of the Act; and

‘USP Access Agreement’

means an agreement under which the **universal service provider** provides access to its **postal network** in accordance with requirements set out in a condition imposed under section 38 of the Act.

Provision of required information

You are required to provide Ofcom with the information specified or described in the **Annex** hereto in the manner and form specified, in relation to the 2019/20 **charging year** (i.e. the period beginning 1 April 2019 and ending with 31 March 2020) and any subsequent **charging year** (i.e. any subsequent

period of 12 months beginning with 1 April). Any queries regarding this information should be directed to information.registry@ofcom.org.uk.

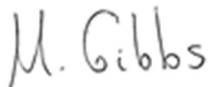
The information must so be provided to Ofcom by **no later than 5pm on the last working day of October every year**, until further notice by Ofcom.

Offences

I draw your attention to Part 2 of Schedule 8 to the Act³, which sets out (among other things) the offences created by the Act in connection with a failure to comply with this General Demand to provide Ofcom with the required information or in connection with the provision of false information: see paragraph 13 of Schedule 8 to the Act.

You are therefore required to ensure that your response is complete and accurate. Given the seriousness of the potential penalties and offences involved, you may want to seek your own independent legal advice about the contents of this General Demand.

Yours faithfully,



Marina Gibbs

Competition Policy Director

A person duly authorised in accordance with paragraph 18 of the Schedule to the Office of Communications Act 2002

³ The legislation is accessible at: www.legislation.gov.uk

Annex to the General Demand for Information (The required information)

A. Definitions

For the purposes of this Annex, except insofar as the context otherwise requires, words or expressions below shall have the same meaning assigned to them in Ofcom's Statement of Charging Principles dated 29 March 2018 (the '**Statement of Charging Principles for Post**') for carrying out its postal services functions referred to in paragraph 2 of that Schedule 4 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.

For ease of reference, we have copied out in this General Demand above the key definitions from that Statement.

B. Specified Information

The liable **relevant postal operator** must for each **charging year** submit an annual certificate (see Section C below) of that operator's **relevant turnover** to provide details and data in relation to the following categories of information (known as an '**Annual Revenue Return**')—

1. **Company Name:** the full name of the **relevant postal operator**;
2. **Return Schedule:** the **charging year** for which the Annual Revenue Return covers;
3. **Registered Number:** the registered company number of the **relevant postal operator**;
4. **Relevant Turnover:** the **relevant turnover** generated by the **relevant postal operator** in the last but one 12 month period commencing on 1 April prior to the charging year in question. (Therefore, for the **charging year** commencing on 1 April 2019, the last but one 12 month period commencing on 1 April will be 1 April 2017 until 31 March 2018.)

That requirement to provide the Annual Revenue Return applies in relation to the 2019/20 **charging year** (i.e. the period beginning 1 April 2019 and ending with 31 March 2020) and any subsequent **charging year** (i.e. any subsequent period of 12 months beginning with 1 April).

C. Manner and Form

The information specified in **Section B** above must be provided to Ofcom by submitting the Annual Revenue Return in the format specified in **Section D** below and by emailing the Annual Revenue Return in that format to information.registry@ofcom.org.uk in PDF format, by **no later than 5pm on the last working day of October every year**, until further notice by Ofcom.

The information specified in **Section B** above must be provided to Ofcom by certifying the Annual Revenue Return to the effect that the information has been accurately and properly prepared in accordance with Ofcom's requirements in the Statement of Charging Principles for Post and to confirm that the Financial Reporting Standards and Generally Accepted Accounting Practice in the UK have been followed in the preparation of the Annual Revenue Return.

Certification should be provided by an authorised director if the **relevant postal operator** is a limited company or by an authorised partner if the **relevant postal operator** is a partnership.

Certification shall serve as notification that the named director or partner has certified the details of the **relevant turnover** of the **relevant postal operator** as true, accurate and complete.

Contact details (i.e. name, e-mail address, postal address, phone, position) of the following persons must be provided in the Annual Revenue Return—

- the individual person providing data for the Annual Revenue Return; and
- if different, the individual person submitting the Annual Revenue Return.

D. Format

Annual Revenue Return	
Company Name:	
Return Schedule:	
Registered Number:	
Relevant Turnover: (£ GBP)	
Certification	
I certify, on behalf of the company named on this certificate, that the information given in this Annual Revenue Return has been accurately and properly prepared in accordance with Ofcom’s requirements in the Statement of Charging Principles for Post, and that it is true, accurate and complete. I also confirm, on behalf of the company named on this certificate, that the Accounting Standards and the Generally Accepted Accounting Practice in the United Kingdom have been followed in the preparation of this Annual Revenue Return.	
Signed:	
Name and Title:	
Date:	
Contact details	
Person providing the data for this Annual Revenue Return:	
Person submitting this Annual Revenue Return (if different):	