

CWU SUBMISSION TO OFCOM REVIEW OF MAIL INTEGRITY AND POSTAL COMMON OPERATIONAL PROCEDURES – APRIL 2013

1. The Communication Workers' Union (CWU) is the largest union in the communications sector in the UK, representing over 200,000 employees in the postal, telecommunications and financial and business services industries.
2. In its March 2012 statement on postal regulation Ofcom committed to reviewing the Mail Integrity Code of Practice (MICOP) and the Postal Common Operational Procedures Code of Practice (PCOP code). The regulator is currently consulting on the first formal stage of this review.
3. The following outlines the CWU's views on Ofcom's initial call for inputs. The CWU welcomes the opportunity to engage in Ofcom's review and expects to comment in more detail as the review progresses.
4. The CWU believes it is important that both codes should remain independently regulated by Ofcom. Together, the codes provide important consumer protection and industry standards over which Ofcom should retain control. We do not believe it would be appropriate for the codes to be independently owned and managed by postal operators, even with supervision from Ofcom. MICOP should remain part of Essential Condition 1 and PCOP should remain part of Consumer Protection Condition 2.
5. We welcome Ofcom's intention to extend the codes to cover access mail. Protecting mail integrity is vital for consumers, who need assurances that standards apply across the industry. Likewise, all competitors should face a level playing field of industry standards. We remain of the view the codes provide an important consumer protection and should cover both end-to-end and access operators.
6. Current MICOP reporting standards should be seen as a minimum. Reducing current requirements would undermine mail integrity monitoring.
7. There could be value in publishing information reported under the mail integrity code; however, this would need to be undertaken on an equal basis across postal operators. We believe it is important that consumers are better able to understand relative quality and performance of postal operators. Information collection and publication should apply equally to all postal operators.
8. Ofcom should continue to impose obligations on regulated postal operators to meet identified standards in relation to mail integrity. To instead only require reporting against targets would constitute a reduction in mail integrity regulation. We do not believe it appropriate to reduce regulation in this area.
9. We believe the cost of compliance with both codes is appropriate and note that Ofcom has had no substantive cost concerns raised with them.

10. We believe the requirement under CP2, for postal operators to become signatories to the PCOP agreement should remain. The alternative suggested by Ofcom, that operators could negotiate terms and enter into bi-lateral arrangements with each other, would not be appropriate and could lead to a reduction in the strength and value of the PCOP code.

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