

Reference: 1799008

Information Requests information.requests@ofcom.org.uk

25 April 2024

Freedom of Information request: Right to know request

Thank you for your request for information about postal prices.

We received this request on 26 March 2024 and have considered it under the Freedom of Information Act 2000 ("the Act").

Your request and our response

All this tells me that there is still a demand to send letters and therefore if the price of sending that letter was lower more would be sent, which leads me to request the following information:

1. The total fixed price of the service

We interpret this request to relate to the costs of the postal universal service.

As explained in our <u>Call for Inputs</u> paper publication on 24 January 2024, we have not calculated the total fixed cost of the universal service. However below we set out some helpful links.

In the <u>Call for Inputs</u> we outline our approach to net cost calculations associated with provision of the universal service – see <u>Annex 7</u>.

Following the <u>2022 Review of Postal Regulation</u>, we reviewed and modified the regulatory reporting requirements imposed on Royal Mail, issuing <u>a Statement</u> on 23 February 2023. Relevant measures applied to Royal Mail are found on <u>our website</u>. Royal Mail is required to comply with our accounting conditions, in line with our accounting guidelines. This includes an obligation to prepare, maintain and keep up to date the Costing Manual for the Reported Business, the part of Royal Mail responsible for providing the universal service, which is published by International Distributions Services PLC (IDS) <u>here</u>; and the Accounting Methodology Manual.

IDS publishes financial statements on its website <u>here</u>. These statements include information about the costs of the Reported Business, referencing a methodology that could be used for allocating costs to the universal service products.

2. The maximum number of letters that could be sent through the network assuming price was not a problem.

We do not hold this information.

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,

Information Requests

Request an internal review

If you are unhappy with the response you have received to your request for information, or think that your request was refused without a reason valid under the law, you may ask for an internal review. If you do, it will be subject to an independent review within Ofcom. We will either uphold the original decision, or reverse or modify it.

If you would like to ask us to carry out an internal review, you should get in touch within two months of the date of this letter. There is no statutory deadline for us to complete our internal review, and the time it takes will depend on the complexity of the request. But we will try to complete the review within 20 working days (or no more than 40 working days in exceptional cases) and keep you informed of our progress.

Please email the Information Requests team (information.requests@ofcom.org.uk) to request an internal review.

Taking it furthe

If you are unhappy with the outcome of our internal review, then you have the right to complain to the Information Commissioner's Office.