

POSTAL SERVICES ACT 2000
SECTION 14
NOTICE
OF PROPOSAL TO MODIFY THE CONDITIONS OF A
LICENCE GRANTED TO
TNT UK LIMITED

Whereas –

- (1) TNT UK Limited, a company registered in England and Wales with number 1628530 and having its registered office at TNT House Holly Lane Atherstone Warwickshire CV9 2RY (“TNT”), on 21 June 2001, under section 11 of the Postal Services Act 2000 (“the Act”), was granted a licence enabling it to provide postal services to Lloyds TSB plc (“the Licence”).
- (2) TNT has asked the Postal Services Commission (“the Commission”) to modify the Licence in the manner described in this notice.

The Commission therefore gives notice as follows –

1. The Commission proposes, in the exercise of its function under section 14 of the Act and subject to consideration of representations made in accordance with this notice and not withdrawn, to make the following modification to the Licence, namely to insert in -

(a) condition 2 -

“2. This condition shall not apply in relation to the conveyance of letters for any existing customer of the Licensee in any period –

(a) commencing on any day on which any serious official industrial action starts and ending at the end of –

(i) the fourteenth day after the day on which that action starts, or, if later,

(ii) the earlier of –

(aa) the day occurring three times as long after the date on which the action starts as the date on which it ends, or

(bb) the ninety second day after the date on which the action ends,

or

(b) commencing on, and ending at the expiry of the ninety second day after the revocation of, a determination by Postcomm that there is a significant failure, as a result of industrial action, an emergency or natural disaster, on the part of the holder of a licence granted under the Act requiring that holder to provide a universal service in the United Kingdom or in any part of the United Kingdom, in the provision of that service.

3. For the purposes of this condition –

(a) official industrial action is industrial action which is protected from liability in tort by virtue of the application of the ballot procedures in Part V of the Trade Union and Labour Relations Act 1992,

(b) industrial action is serious if, at the time of its commencement, it is expected to cause interruption to operations –

(i) at any one universal service mail centre for not less than 24 hours, and

(ii) at not less than two other universal service mail centres for any period of time,

(c) a universal service mail centre is a facility containing automatic mail sorting equipment operated by the holder of a licence granted under the Act requiring that holder to provide a universal postal service in the United Kingdom or in any part of the United Kingdom, and

(d) an existing customer of the Licensee means any person for whom the Licensee has conveyed postal packets in the period of twelve months prior to conveyance being permitted pursuant to paragraph [2]." And

(b) condition 3 –

- “4. Paragraph 2 of this condition shall be of no application in relation to postal packets conveyed pursuant to paragraph 2 of condition 2 of this Licence.”
2. TNT has consented to the modification proposed in this notice.
 3. The effect of the modification is that in the event of disruption to the universal postal service in any part of the United Kingdom, as a result of official industrial action in three or more mail centres, TNT may provide postal services to existing customers other than Lloyds TSB plc and may provide an unrestricted range of postal services to Lloyds TSB plc for a period of 14 days or three times the length of the industrial action, whichever is the longer. Should the period of official industrial action exceed 31 days, TNT can provide such services for the period of the industrial action plus approximately three months. In the event that the Commission determines that there is other industrial action, an emergency or natural disaster, TNT may provide similar services for a period of approximately three months after the determination lapses.
 4. The reasons for the modification are as follows.
 - (a) The Commission is of the view that, in the event that there is disruption to the universal postal service in the United Kingdom or part of it as a result of industrial action, service restrictions in the licences granted to other postal operators ought not to limit the ability of those operators to provide services to users.
 - (c) The modification will enable postal services to be provided only –
 - (i) when there is disruption to the universal postal service, and
 - (ii) for a limited period of timeand therefore is unlikely to have any appreciable adverse impact on the provision of the universal postal service in the United Kingdom.
 - (d) The modification will have the effect of limiting the impact of the disruption to the universal service and reducing the backlog of mail that needs to be cleared at the end of a period of disruption.

- (e) The modification will further the interests of users of postal services by enabling TNT to provide an unrestricted service when there is interruption to the provision of the universal service.
- (f) The above reasons also apply in the event of failure by Consignia to provide the universal postal service as a result of an emergency or natural disaster .

5. Representations regarding the proposed modification may be made to the Commission within the period commencing on and including the date of this notice and ending on and including the thirtieth day after the date of this notice.

6. Representations regarding the proposed modification should be made in writing to –

The Postal Services Commission
Hercules House
Hercules Road
London SE1 7DB

marked for the attention of Shahida Mukhtar or Ros Poulson.

Fax: 020 7593 2142, email smukhtar@psc.gov.uk and rpoulson@psc.gov.uk

7. Telephone enquiries regarding the proposed licence may be made to Shahida Mukhtar or Ros Poulson on 020 7593 2100.

Martin Stanley

Chief Executive

authorised by the Commission

Dated: 24 May 2002