

08 December 2009

Royal Mail Group

Mr Jonathan Sheppard

By Email: request-16602-cfa8xxxx@xxxxxxxxxxxxxxxxxxx

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Dear Mr Sheppard

Re: Request for Internal Review

I am writing in response to your email dated 14th September 2009 in which you requested an Internal Review of Royal Mail Group's response to your request for information under the Freedom of Information Act 2000.

Royal Mail Group's internal review panel has reviewed the request and I am writing to advise you of their decision. We aim to complete all internal reviews within 20 working days if possible, and no later than 40 working days, unfortunately this was not possible in this case. I must therefore apologise for the length of time taken to respond to this and the separate request for internal review which you submitted on the same date. I am very sorry for any inconvenience caused by these delays.

In your request dated 07th August 2009, you asked the following question:

"...how many items entering the UK have been subject to the Royal Mail handling fee (£8) for the financial year 2008/09 or the most recent financial year available?"

Our reply was dated 10th September 2009. This response should have been issued no later than 20 working days following the date of receipt and I must apologise therefore, that we failed to comply with section 10 (1) of the Act on this occasion.

In our reply we confirmed that we do hold information relating to the number of items subject to the handling fee – we hold this information for the 2008/09 financial year. This

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information was withheld under section 43(2) of the Freedom of Information Act; on the basis that disclosure would be likely to cause prejudice to the commercial interests of Royal Mail.

You wrote in your request for an internal review that you believe that stating that this is an issue of commercial confidentiality is somewhat misleading. The review panel therefore considered whether section 43 (2) had been correctly applied in this case.

As we explained in our original response; international mail is an unregulated and highly competitive product. There are a number of other companies operating in direct competition with Royal Mail in this market place, who transport parcels into the UK and complete the customs process. These companies have to base their own prices for customs clearance services upon their own costs and the volume of items they handle – they do not have access to the volume of items handled by Royal Mail. The belief of our people working in our International function is that, if given access to this information, Royal Mail competitors would be likely to amend their own prices in order to target a % market share of these international items. This would prejudice the commercial interests of Royal Mail and the review panel agreed that such prejudice was therefore likely if the information was disclosed. We therefore believe that section 43 (2) does apply to the information you requested.

Section 43(2) of FOIA is subject to the 'Public Interest Test' and the review panel also considered whether, despite the application of the exemption, the public interest test favours disclosing the information. We do not consider that release of this information would inform the public about the effective management or operation of Royal Mail services or in increase openness and accountability in public affairs. We do however, consider there to be very strong public interest in a commercially viable Royal Mail. There is a real and direct public interest in protecting the commercial interests of Royal Mail Group as a publicly owned company operating in a highly competitive mails market subject to full competition. Any prejudice to the commercial interests of Royal Mail Group would ultimately prejudice the interests of the public that owns it. Consequently, the review panel agreed that the balance of public interest overall is in favour of withholding the information. We therefore consider that the decision to withhold this information under section 43(2) of the Freedom of Information Act was correct.

I hope that this suitable explains our reasons for withholding the information you requested on this occasion but, if you have any concerns or further requests please do contact us. In the event that you are not satisfied with this reply, you do have a right to appeal to the Information Commissioner who can be contacted at:

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Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF
Telephone: 01625 545 700
www.informationcommissioner.gov.uk

Yours sincerely

Colin Young
Freedom of Information Manager
Company Secretary's Office