



# Postal Services Act 2011

## 2011 CHAPTER 5

### PART 3

#### REGULATION OF POSTAL SERVICES

##### *Financial support for universal postal service*

#### **44 Review of costs of universal service obligations**

- (1) OFCOM may from time to time review the extent (if any) of the financial burden for a universal service provider of complying with its universal service obligations.
- (2) In carrying out a review under this section OFCOM must consider the extent to which, in their opinion, the provider is complying with its universal service obligations in a cost-efficient manner.
- (3) If—
  - (a) regulations under section 35 require the financial burden of complying with universal service obligations (or proposed universal service obligations) to be taken into account in determining whom to designate, and
  - (b) the regulations provide for a particular method of calculating that burden to be used for the purposes of that determination,that must be the method of calculation applied on a review under this section.
- (4) If subsection (3) does not apply, the financial burden of complying is to be taken to be the amount calculated by OFCOM to be the net cost of compliance after allowing for market benefits accruing to the universal service provider from—
  - (a) the provider's designation, and
  - (b) the application to the provider of universal service obligations.
- (5) After carrying out a review under this section OFCOM must either—
  - (a) ensure that the calculations made by them on the review are audited by a person who appears to them to be independent of universal service providers,or

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*Changes to legislation: There are currently no known outstanding effects for the Postal Services Act 2011, Section 44. (See end of Document for details)*

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- (b) carry out an audit of those calculations themselves.
- (6) OFCOM must ensure that a report on the audit—
  - (a) is prepared, and
  - (b) if not prepared by OFCOM, is provided to them.
- (7) OFCOM must publish—
  - (a) their conclusions on the review, and
  - (b) a summary of the report of the audit which was carried out as respects the calculations made for the purposes of that review.
- (8) The publication must be in such manner as OFCOM consider appropriate for bringing it to the attention of the persons who, in their opinion, are likely to be affected by it.
- (9) The Secretary of State may at any time direct OFCOM to carry out a review under this section.
- (10) Unless directed to do so by the Secretary of State, OFCOM may not carry out a review under this section before the end of the period of 5 years beginning with the day on which this section comes into force.

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**Commencement Information**

**II** [S. 44](#) in force at 1.10.2011 by [S.I. 2011/2329](#), [art. 3](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Postal Services Act 2011, Section 44.