



22 June 2015

Oliver Butler
Royal Mail Group Ltd
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Dear Oliver Butler,

Citizens Advice Service (Citizens Advice and Citizens Advice Scotland) and Consumer Council for Northern Ireland response to Royal Mail United Kingdom and Royal Mail Overseas Letter Post Scheme - improving claim process

As the statutory representative for consumers of postal services across England, Wales and Scotland, the Citizens Advice Service and the Consumer Council for Northern Ireland welcome the opportunity to respond to Royal Mail's consultation on proposed changes to the UK Post Scheme and Overseas Post Scheme. As noted, these set out the terms and conditions for postal services for consumers and business customers who do not hold individual contracts with Royal Mail.

The consumer advocacy bodies (Citizens Advice, Citizens Advice Scotland and the Consumer Council for Northern Ireland) work across the UK conducting research and gathering evidence on postal user needs to deliver strategic projects that contribute to improving the operation of the postal market for all consumers. As the statutory consumer bodies, we also play a central role helping consumers in vulnerable positions which is a fundamental safety net embedded into the CEAR Act.¹

In issuing our response, we seek to ensure that the complaint and claims policy conditions for letter and parcel services encourage the sustainability of the universal service of which Royal Mail is the provider in the UK.

Let us first of all state that we very much welcome the initiative which Royal Mail has taken to improve its complaints procedures for consumers.

We consider that it is important that postal operators employ complaint and claims procedures that are accessible, transparent and help to build consumer confidence and security in using the appropriate letter and parcel service. It is important that mail services can continue to remain a reliable, accessible and affordable form of

¹ Subsection (3) of the CEAR Act 2007 highlights the power of the Consumer Council to investigate or pursue complaints on behalf of vulnerable designated consumers
<http://www.legislation.gov.uk/ukpga/2007/17/contents>

communication for all UK consumers, complaint handling and redress needs to be 'fair and reasonable'.

In order for this to occur, we continue to stress that complaint handling and claims processes should be continually made accessible and easy to understand for consumers. Further, we are concerned to ensure that such procedures such evolve over time in line with new consumer demands and the possibilities opened up by new technology.

In this context we are pleased to note that Royal Mail continues to take initiatives in this direction, with previous improvements detailed in our report *Delivering Satisfaction: Complaint Handling in the Postal Sector*.²

We see these new proposed amendments to the claims process as being undertaken with the same goal in mind of making the claims process more convenient and efficient for consumers in several respects and welcome these changes, details of which our evidence and reasoning is outlined below.

In order to support the views reached in this response, we used a variety of primary sources of consumer information including cases received via the Citizens Advice Consumer Service helpline³ and a recent complaint handling survey we are undertaking.⁴

Reducing the time for making a loss claim

- **Standard Delivery to be reduced from 15 to 10 days**
- **Special Delivery to be reduced from 10 to 5 days**

In particular we believe that changing the definition of 'Loss' within the Post Scheme to reduce the time in which consumers can file a loss claim represents a positive change in the overall claims process. This will have the potential to benefit consumers by speeding up the overall claims process and will also reduce the time consumers are currently

² Consumer Focus previously raised concerns about inadequate signposting of the complaint escalation process should consumers be dissatisfied with the outcome of the complaint. Royal Mail introduced operational measures and processes to improve customer service and complaint handling over 2011/2012. This included reducing the number of options and customer journey times on the customer service automated telephone system, modernising its website to make it easier for customers to navigate, find relevant information and online complaint forms, reducing the internal complaint handling stages from four to three so that the second stage of contact with an adviser was removed and if a customer indicates they have previously contacted Royal Mail their complaint will be sent straight to the escalation team and centralising consumer complaints in the Customer Experience Team to ensure provision of consistent and accurate advice. <http://bit.ly/1MVWyO6>

³ The Consumer Service Helpline operates across England, Wales and Scotland.

⁴ A survey of consumer experience of complaint handling for letter and parcel problems was issued via the Citizens Advice Guide in England, Wales and Scotland on March 31st 2015. The same survey was issued by CCNI via their website on March 31st 2015 and results were combined to provide UK-wide findings. This survey is currently ongoing and for the purposes of responding to this letter, the results were gathered up until 17th April 2015 when the total number of responses was 142. The survey is due to be completed at the end of June 2015. We are aware this is a low base for responses and not a substitute for robust research, but the survey was designed with the purpose to provide a snapshot of how consumers feel their needs are met regarding postal complaints and redress at the time of this call for evidence by Ofcom.

required to wait before being eligible to submit a claim, for what could potentially be very costly items sent by Special Delivery.

We consider that in order for consumers to fully benefit from these changes a clear communication strategy is required to engage all the ways in which consumers can access information on Royal Mail's claims procedures including telephone customer service advisors, Royal Mail's websites, and Delivery Office and Post Office staff. It is important that these changes are communicated widely and that consumers are educated on how they can most efficiently file future claims.

Towards this we recommend that Royal Mail include details of these changes in their verbal and written communications to consumers who are currently involved in the claims process.

Online claims end-end solution (digital format for claims and forms)

In order to enable consumers to complain effectively requires consumers to know how to complain. This is made easier if there is adequate visibility of operators' complaint processes and procedures. Only if complaint handling processes are made clear and easy to understand will the new procedures be accessible to all consumers. Otherwise there are risks that complainants may be deterred from making a complaint or escalating their problem if necessary.

In this context we welcome Royal Mail's proposed change to allow consumers to submit claim forms and evidence online, which we consider would represent a significant step forward in the complaint and claims handling process.

Currently, consumers are required to send a hard copy claims form in the mail, which they may have obtained in a digital format, with supporting evidence. If a consumer does not want to risk that the claims form and evidence could be lost in the post when sending the claims evidence to Royal Mail's complaints team, then the consumer is required to purchase a more costly Signed For or Special Delivery service. This is expensive for consumers and could potentially cause an additional source of complication and delay in the claims process, particularly if the mail is delayed or lost. This process could also serve to deter consumers from beginning the complaint process, which plays into the issues that affect the decision by postal consumers in deciding whether to file a formal complaint.⁵

As our ongoing survey into complaint handling has highlighted, making a postal complaint around postal services can be time consuming and complicated.

In undertaking a survey of consumer experience of complaint handling in the postal sector across England, Wales, Scotland and Northern Ireland, the results suggest consumers experience barriers to complaining which could be affected by the accessibility and visibility of locating information. Currently our key findings show that:

⁵ It has been noted in previous research by Consumer Focus Scotland that the resources expended in pursuit of a complaint correlates to the value of the item or service that is the subject of the complaint⁵, this could be reflected in low value mail items such as letter and cards, but could be different if a consumer issued an experience with a higher value item as Consumer Service case notes have highlighted.

- 82 per cent had experienced an issue with letter or parcel services in the last two years. Half of those (50 per cent) that experienced an issue with letters or parcel service did not go on to complain.
- 48 per cent of consumers do not go on to file a complaint because it is 'not worth the time and effort'.
- In rating their experience of ease of understanding and efficiency of complaint handling process, 37 per cent of consumers indicated the complaint handling process was difficult or very difficult to understand, with 19 per cent indicating it was easy or very easy and efficient.

In light of this we welcome the move to allow for digital formats for claims forms and evidence. This will offer consumers an alternative access point to submit claims in a timely fashion when it is convenient for consumers, which could help improve their overall experience with the complaint handling process.

Once again the visibility of this solution will be critical to its success and we consider that this will depend upon by an effective communication strategy. This will again, as with the reduction in time to make a loss claim, rely on well informed Royal Mail customer service advisors, website pages, Delivery Office and Post Office staff.

The importance of this new tool to submit claims digitally would also indicate that it should feature prominently on Royal Mail's website in a way that is accessible, visible and easy to understand for consumers. With many consumers accessing the internet via different platforms, as has been documented with the rise of e-retail⁶ and general trends⁷, the online system should be compatible with a range of different devices (such as tablets, mobile phones and desktops to maximise uptake of this platform in a way that is most convenient for different types of consumers.

As highlighted in Section 16.8.4 and Section 16.7 of the UK Post Scheme, Royal Mail continues to reserve the right to request the original documentation of the evidence and proof of posting. More clarification around when this is required would add transparency to the claims process. Such clarification would also deter consumers from disposing of original documents.

Given the nature of technology and availability for digital documentation, we would also like to note that digital capacity to submit certificate of posting could help to alleviate the situations where the certificate of posting is lost or the receiver of the item is filing the claim and is not able or practical to obtain the original certificate.

⁶ IMRG, 'A third of all online sales now made by mobile device': <http://bit.ly/1jM5Pu3>

⁷ The Government Digital Service estimates that by the end of 2014 more people will be visiting www.gov.uk from a mobile or tablet than from a desktop computer (<http://bit.ly/1eghVyb>). This is part of a wider transformation in how people engage with organisations, often starting online using a smartphone before moving to other channels. While we must always make sure that we are accessible for those who do not use online services, these shifts mean that Citizens Advice needs to complement our face to face and telephone advice with brilliant digital services that help people solve their problems.

We would also like more clarification around what types of documentation can provide certificate of posting when these have been genuinely lost as has been highlighted in instances⁸ where compensation for lost items has not been provided due to lack of certificate of posting. Tracking numbers provided by Royal Mail, electronic bank statements providing date and time of transactions, and proof of identity would seem to contribute towards proof of posting in special unforeseen circumstances. Over time we would hope to see Royal Mail more actively communicating with complainants online about the progress of their complaints to ensure the best possible transparency and the least consumer detriment.

At this stage we understand that once the claim is processed and finalised, Royal Mail will still issue decisions on claims in writing, with claims settled in the form of a cheque or goodwill stamps sent by post. With the reduction in timescales to receive information and move to digital formats for claims, we would like to see Royal Mail move towards shortening its response times for handling and resolving complaints as well as move additional functionality online as it develops additional online services.

Update of cross references to Scheme for Franking Letters and Parcels

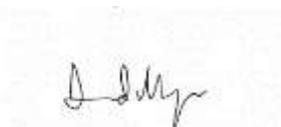
Having reviewed this change, we have no specific comment to provide and will improve clarity of the Schemes in referencing the latest version of the Franking Letter and Parcels Scheme.

In closing, we encourage Royal Mail to ensure these changes to the claims process are accessible and user-friendly. We also feel it would also be of benefit to Royal Mail to measure and evaluate the ways in which consumers are affected by these changes to the claims process. This would serve as a basis from which Royal Mail could assess if the service changes are improving consumer satisfaction and also be a valuable resource from which to further to continually improve its complaint handling and claims processes.

Yours,



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⁸ Consumer Service cases have highlighted that certificate of posting or loss of receipt can be lost when sending the claim to Royal Mail, as highlighted in Appendix 1, Case Note 1.

Appendix 1

Citizens Advice Consumer Service Helpline case notes

Case note 1, January 2015:

C sent a parcel Second Class Signed For. The parcel did not arrive. RM stated it was still in the system and then stated it was lost. C filled in a claims form. RM stated the claim form could not be found and C would have to do it again. This meant the original receipt C sent was lost - which showed the value of the goods.

Case note 2, November 2014:

C sent a letter First Class Signed For. The letter had not been delivered yet and C was told to wait until 17/11/14 before they could send a claim form. C also did not have the address to hand of where the letter was sent.

Case note 3, November 2014:

C bought goods online. C sent them back by Second Class Signed For. The goods did not arrive. C filled in and sent off the claims form with all the receipts RM required for the claim. This was at an expense to C as they had to photocopy receipts and print things off. C also incurred taxi fares in travelling to the Post Office. RM stated the forms went missing in the post and C would need to submit the claim again. C was unhappy with this, and being ill at the time found it was a struggle to get all the evidence together the first time.

Appendix 2

Complaint handling for letter and parcel problems survey responses

Q.9 Which one of the statements below best describes your reason for not filing a formal complaint?

Survey response: *'I am the sender and am not allowed to make a complaint yet as the parcel is not officially classed as lost until the 11th April, although it was posted on the 20th March and sent tracked.'*

Q.9 Which one of the statements below best describes your reason for not filing a formal complaint?

Survey response: *'It was not worth the time and effort because the number of tiers in the complaints system is byzantine. The offer of six first class stamps when fault is admitted is a disgraceful condescension.'*

Appendix 3

Complaint handling for letter and parcel problems

- 1) Where do you live in Great Britain? (Randomised)⁹
 - a. England
 - b. Wales
 - c. Scotland

- 2) What is your age?
 - a. 18-24
 - b. 25-34
 - c. 35-44
 - d. 45-54
 - e. 55-64
 - f. 65 and over
 - g. Rather not say
- 3) Do you feel that due to your personal circumstances you would require extra assistance when making a postal complaint?
 - a. Yes
 - b. No
 - c. Prefer not to say
- 4) Have you experienced a problem with letter or parcel services in the last two years? (If you have experienced more than one problem, please answer in relation to your most recent problem).
 - a. Yes
 - b. No
- 5) Thinking about the last time you had a problem with a letter or parcel service, which statement below best describes the issue? (Randomised)
 - a. Damaged parcel
 - b. Letter delivery loss
 - c. Letter delivery delayed
 - d. Damaged letter mail
 - e. Parcel delivery delayed
 - f. Charged the wrong price for letter or parcel service
 - g. Parcel delivery loss
 - h. Unsecure parcel delivery
 - i. Other (please specify)

- 6) Did this relate to an online purchase? (Randomised)
 - a. Yes, an online retailer
 - b. Yes, a seller in an online marketplace (e.g. eBay or Amazon)
 - c. No

- 7) Please select from the following list the postal operator involved in this problem. (Randomised)
 - a. DPD
 - b. Parcelforce

⁹ This question was not asked in Northern Ireland.

- c. Yodel / CollectPlus
- d. DHL
- e. DX
- f. MyHermes
- g. Whistl (formerly TNT)
- h. Mailboxes Etc.
- i. Royal Mail
- j. Don't know
- k. Other, please state if known

8) Did you go on to file a complaint about your problem?

- a. Yes
- b. No

9) Which one of the statements below best describes your reason for not filing a formal complaint? (Randomised)

- a. Did not know how to raise a complaint
- b. Did not have the tracking number or certificate of posting
- c. Not worth the time and effort
- d. The sender of the letter or parcel dealt with the problem
- e. Other, please describe

10) How did you find out where to make your complaint?

- a. Found details on the website, where I made my purchase
- b. Postal operator website
- c. Sought advice from a consumer organisation
- d. Checked my receipt or order confirmation
- e. Other, please describe

11) What method did you use to make your complaint? Please select all that apply.

- a. By post
- b. Postman/Delivery Officer or at Sorting Office
- c. Online complaints form
- d. Post Office
- e. Social media e.g. Twitter or Facebook
- f. Telephone
- g. Email
- h. Other, please describe

12) "How would you rate your experience of locating the information on how to complain?"

(Scaled answer)

- a. Very easy
- b. Easy
- c. Neither easy nor difficult
- d. Difficult
- e. Very difficult

13) "How easy to understand and efficient was the complaint handling process? (Scaled answer)

- a. Very easy
- b. Easy

- c. Neither easy nor difficult
 - d. Difficult
 - e. Very difficult
- 14) Thinking about the first contact you made regarding your complaint via any means (telephone, social media, letter, email), which of the following best describes what happened?
- a. The first person I contacted resolved my complaint
 - b. The first person I contacted assured me they would resolve my complaint without me needing to take further steps, but this did not happen
 - c. The first person I was in touch with said someone would look into my complaint and would be in touch (and someone did email, call, send letter or social media response)
 - d. The first person I was in touch with said someone would look into my complaint and would be in touch, but no one was
 - e. The first person I was in touch with could not or would not deal with my complaint but referred me to another part of the business that could
 - f. The first person I was in touch with could not or would not resolve my complaint and refused to refer me to someone else, even though I requested this
 - g. The first person I was in touch with could not, or would not, resolve my complaint and did not offer to transfer me to someone else and I also did not ask to be helped further
 - h. Other, please describe
- 15) What is the current status of your complaint?
- a. Completely resolved
 - b. Partly resolved
 - c. Not resolved at all
 - d. Don't know
- 16) If resolved, how long did it take to resolve the formal complaint?
- a. Resolved upon contact
 - b. 5 days or less
 - c. 5 to 14 days
 - d. 14 to 30 days
 - e. 30 days or more
 - f. Other, please explain
- 17) How satisfied are you with the handling of your complaint? (Scaled answer)
- a. Very satisfied
 - b. Satisfied
 - c. Neither satisfied or dissatisfied
 - d. Dissatisfied
 - e. Very dissatisfied
- 18) How satisfied were you with the outcome of your complaint?(Scaled answer)
- a. Very satisfied
 - b. Satisfied
 - c. Neither satisfied or dissatisfied
 - d. Dissatisfied
 - e. Very dissatisfied

19) Overall, even if not yet resolved, how much time have you spent actively pursuing your complaint (including time taken for emails, telephone calls etc).

a. Please record the time in hours and/or minutes below:

20) When you made your complaint, were you given further details of organisations that could help you resolve your complaint if you were not satisfied with the outcome? Please select all that apply.

a. Yes, consumer body

b. Yes, trading standards

c. Yes, alternative dispute resolution body, the Postal Redress Service (POSTRS)

d. No

e. Other, please specify