

2. Post law and regulation

Royal Mail products and services required by the universal service obligation aren't contracts. Terms and conditions for these products and services are set out in 3 schemes:

- UK Post Scheme (includes the Channel Islands and Isle of Man)
- Overseas Post Scheme (outside the UK, Channel Islands and Isle of Man)
- Franking Post Scheme.

Goods or services bought from other postal operators, and some from Royal Mail, are traditional contracts. Consumer protection law applies to these.

- 2.1 Legislation
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2.1 Legislation

Postal Services Act 2000			
Royal Mail	Anyone else affected		
Schemes to limit liability (s89-93) Postal orders (s111-114)	Everyone Prohibition on sending certain articles by post (s85)		
Owner of Postcode Address File (s116) Power for mail bags to be carried in ships or aircraft (s94) Power to buy or use land needed to deliver the universal service (s95) Immunity from prosecution if post in transit contains prohibited items (s96) No harbour charges or controls on mail bags (s97-98)	Charge a fee and hold an item with underpaid postage (s104A) Collect customs charges, inspect and hold items until charges paid (s105-106) Offences: Interfering with mail (s83-84) Fixing adverts etc to post offices or post boxes (s86) Use of marks, words, signs associated with universal service (s87) Obstructing universal service provider (s88)		

Postal Services Act 2011
 Postal Services (Universal Postal Service) Order 2012

Ofcom conditions	
Royal Mail	Anyone else affected
Universal service obligation (s29-34) Designated universal service provider (s36-37) Universal service access (s38 and Sch 3) Universal service accounting (s39)	Other postal operators Notification (s41) General universal service (s42) Essential (s49) General access (s50 and Sch 3) Consumer protection (s51-52)

Postal Packets (Revenue and Customs) Regulations 2011

Customs forms requirements (r17-20)

Postal operator authorised to carry out import/export duties on behalf of Border Force (r24)

Customs (Import Duty)(EU Exit) Regulations 2018

Withdrawal of a customs declaration (r53)¹

Customs (Reliefs from a liability to imports duty and miscellaneous amendments) (EU Exit) Regulations 2020²

Right to claim a full or partial refund of import duty - includes when goods are returned (r2)³

Communications Act 2003

Ofcom

Prioritise security of universal service (s3)

Consumer research (s14)

Consumer consultation (s16)

Represent UK consumers (s22)

Publish information and advice (s26)

Enforcement (s369-371)

Consumers, Estate Agents and Redress Act 2007

Consumer advocacy bodies

Representative function (s8)

Research function (s9)

Information function (s10)

General power to investigate postal issues (s11)

Power to investigate complaints made by vulnerable consumers (s12)

Duty to refer matters to Ofcom (s15)

Power to investigate post offices (s16)

¹ s53 refers to <u>Sch 1 para 16 of Taxation (Cross-border Trade) Act 2018</u>: Amendment or withdrawal of customs declarations

² https://www.legislation.gov.uk/uksi/2020/1431/contents/made

³ Interpretation of the Regulations says a 'relief condition' means a condition described in the <u>UK Reliefs</u> <u>Document</u> which lists 'returned goods relief'(RGR) in section 37 as a condition for full or partial relief from import duty

Information gathering powers (s24)

Consumer Rights Act 2015

Other postal operators, consumers, traders

Services (s48-57)

Delivery (s28)

Risk (s29)

Fairness of terms (s61-76)

Sale of Goods Act 1979

Consumers buying from, or selling as, a private seller

Title (s12)

Description (s13)

Risk (s32-33)

Consumer Contracts (Information, Cancellation and Additional Payments) Regulations 2013

Other postal operators, consumers, traders

Cooling off period for most online sales (r28-38)

Return postage cost (Sch2)

Helpline phone charges (s41)

Consumer Protection from Unfair Trading Regulations 2008

Other postal operators, consumers, traders

Unfair, misleading or aggressive practices

Unsolicited goods

The Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015

Other postal operators and traders

Must say if member of a scheme and if willing to use ADR (r19)

The Offensive Weapons Act 2019

Royal Mail, other postal operators and traders

Delivery of corrosive substances, knives and other bladed items must:

- **clearly label the package** to show it contains a corrosive substance or item with a blade or sharp point
- **only get delivered to a person aged 18 or over** (whether the buyer or someone representing them)
- **not get delivered to a parcel locker** for example, where the buyer gets an access code to open the locker and collect the package
- not get delivered to a residential address unless a business is run from the premises

Equality Act 2010

Protection against unfairness and unfair treatment **linked to** a protected characteristic

Protected characteristics (s4-12)

Prohibited conduct: discrimination, adjustments for disabled people (s13-27) Services and public functions (s28-31)

Torts (Interference with Goods) Act 1977

Rights when someone finds, or comes into the possession of another person's goods

Negligence

Rights when someone suffers loss or damage

2.2 Ofcom regulatory conditions

Designated universal service provider (DUSP) conditions

Royal Mail is the designated universal service provider in the UK.

- DUSP 1 services, access points, performance targets, notification and publication and contingency planning
- **DUSP 2** safeguard cap price control for second class standard letters
- DUSP 3 safeguard cap price control for large letters and small and medium parcels up to 2kg

Universal service provider access conditions

• **USP access condition** - other postal operators must be able to access the universal service provider's postal network

Universal service provider accounting conditions

Consolidated USP accounting condition - Ofcom rules for accounting

Notification conditions

- Consolidated notification condition 1 postal operators must tell
 Ofcom if they:
 - want to provide a service that's in scope of the universal service
 - want to start or expand their letter delivery operations

General universal service conditions (GUSC)

no current GUSC conditions

Essential conditions

- **Essential condition 1** obligations Ofcom considers necessary to secure:
 - confidentiality in connection with the sending, conveyance and delivery of letters
 - security where dangerous goods are transported
 - o **confidentiality** of information conveyed
 - o guard against the theft, loss or damage to postal packets, and
 - o **delivery** of postal packets to the intended addressees.

General access conditions

no current general access conditions

Consumer protection conditions

 Consumer protection condition 1 - payments relating to qualifying expenses of the National Consumer Council, Citizens Advice and Citizens Advice Scotand

This allows Ofcom to charge postal companies for costs of the consumer advocacy bodies. They use company turnover and numbers of consumer service contacts to work out how much each company has to pay.

- Consumer protection condition 2 Postal Common Operational Procedures (misdirected and miscollected letters) This gets covered in section 4.5.
- **Consumer protection condition 3** complaints handling and redress This gets covered in section 9.
- **Consumer protection condition 4** compensation This gets covered in section 6.

All but one of Ofcom's regulatory conditions apply to Royal Mail. Other postal operators are less regulated.

	Applies to RM	Applies to other operators
Designated universal service provider 1	Yes	No
Designated universal service provider 2 - 2nd class letters price cap	Yes	No
Designated universal service provider 3 - 2nd class large letters and parcels up to 2kg price cap	Yes	No
Universal service provider access condition	Yes	No
Universal service provider accounting condition	Yes	No
Notification condition 1	No	Yes
Essential condition 1 (applies to letters and untracked parcels)	Yes	Yes - only if access operator
Consumer protection condition 1	Yes	Yes - if reached

		qualifying threshold for turnover or calls to CS
Consumer protection condition 2 (applies to letters only) Including: common operational procedures agreement Including: List of code identifiers	Yes	Yes - only if access operator
Consumer protection condition 3	Yes - 3.3	Yes - 3.2

2.3 The Universal Service

2.3.1 USO and non-USO services

Universal service obligation (USO) services are what Royal Mail offers to meet the requirements of designated universal service provider condition 1. The consumer service post product codes link to Royal Mail services. The codes identify if a query is about a USO or non-USO service - this makes sure our reporting is accurate.

USO services

Postal Services Service) Order	(Universal Postal 2012	Royal Mail products and services	DUSP condition	Flare post product code
	Single piece service	1st and 2nd class stamped and metered mail, including Click & Drop or prepaid stationery	DUSP 1.6.1(b)	RMOAR RMXAR
	Priority services	Signed For 1st and 2nd class where using stamps or metered mail, Click & Drop or prepaid stationery	DUSP 1.6.1(a)	RMUAR
Schedule 1 End-to-end services at affordable prices	Registered and insured services	Special Delivery Guaranteed by 1pm	DUSP 1.6.1(d) DUSP 1.6.1(e)	RMWBR
	Return to sender services	Return to Sender (NB This is not a service in its own right, but is provided for through the <u>Scheme</u>)	DUSP 1.6.1(c)	RMVBR
	[Fast outgoing] European Union services	International Standard International Signed	DUSP 1.6.1(f)	RMAAR RMJBR RMJER

	[Fast outgoing] rest of world services	International Tracked and Signed	1.6.1(g)	
	[Slow outgoing] European Union services	International Economy	DUSP 1.1.1(f)A	RMJCR
	[Slow outgoing] rest of world services		DUSP 1.6.1(h)	
	Incoming European Union services	Royal Mail Overseas Post Scheme	DUSP 1.6.1(i)	DAMAD
	Incoming rest of world services		DUSP 1.6.1(j)	RMJAR
			DUSP 1.6.2	
	Legislative petitions and addresses	Royal Mail UK Post Scheme	DUSP 1.6.3(a)	RML5R
	Domestic services for blind or partially sighted persons	Articles for the Blind	DUSP 1.6.3(b)	
Schedule 2 Free end-to-end services	International services for blind or partially sighted persons		1.6.3(c) & 1.6.3(e)	RMCAR
Schedule 3	Redirection services	Royal Mail Redirection	DUSP 1.7.1(a)	RMVAR
Addressee services	Poste restante services	Post Office Poste Restante	DUSP 1.7.1(b)	RMSAR
	Retention services	Royal Mail Keepsafe	DUSP 1.7.1(c)	RMKPS
Evidence of amount of postage	Certificate of posting 1st class - 1.6.1(a) 2nd class - 1.6.1(b) All international products - 1.6.1(f-h) Domestic articles for the blind - 1.6.3(b)	Royal Mail certificate of posting	DUSP 1.1.2(f)	RMFAR

	International articles for the blind - 1.6.3(e)			
Collection services	Post boxes	Royal Mail: When does mail get collected from postboxes?	DUSP 1.5.1, 1.8.1 & 1.8.2	RMTBR
		Postbox removal and relocation		

Non-USO Royal Mail services

Tracked 24	Tracked to delivery point	NEW RMPRS/RMPAR
Tracked 48	Tracked to delivery point	RMPRS/RMPAR
Special Delivery by 9am	Guaranteed by 9am the next day	RMWAU
Sameday	Same-day delivery for urgent items	RMPRS
International Tracked	Tracked to delivery point	RMBAU
Safebox	Fast, secure way to send samples and specimens	RMPRS
<u>Local Collect</u>	Royal Mail national click and collect services for retailers	RMLAU
Parcel Collect	Collection of up to 5 items	RMPRS
British Forces Post Office	Discounted mail services for armed forces	RMDAU
Presentation Packs and Sets	First Day covers, collector's stamp books and stamp sheets, individual stamps and postcards	RMQAU
Framed Stamps		RMQAU
Coins and medals		RMQAU
Connected Storefronts	Automatically import orders from online marketplace stores	RMPRS

	into Click & Drop	
PO boxes	A way to receive post and keep a home address private	RMRAR

2.3.2 Schemes to limit Royal Mail liability

Terms and conditions for universal service products and services are set out in Schemes. This means customers using or buying these products and services don't have an individual contract with Royal Mail. It's the same if they buy these services at a post office - their rights are what's set out in the Schemes. This means compensation is limited - even if a customer relies on information from post office counter staff.

The schemes in The Gazette (the public record) are the official versions. Royal Mail publishes consolidated versions on their website. There are 3 schemes:

- UK Post Scheme
- Overseas Letter Scheme
- Franking Post Scheme

Ofcom conditions refer to 'single piece services'. This means the condition - and the relevant scheme - only applies to customers paying standard Royal Mail prices. Customers who get discounts on standard prices aren't included in this definition - for example, because they send a lot of items or use a franking machine.

2.3.3 Royal Mail DUSP compliance statements

DUSP requirement		Royal Mail statement
DUSP 1.8.4	Provide or procure the provision of letter boxes and other access points to enable customers to obtain access to the universal service	Arrangements for users of postal services who are blind, partially sighted, infirm through age, chronically sick, or disabled
DUSP 1.8.3	Provide sufficient points of access to our postal network for customers wishing to post the largest sized Universal Service postal packet or a registered mail item, such as a Special Delivery or Royal Mail Signed For items. Royal Mail	Arrangements for users of postal services whose premises are not within 10 kilometres of an access point capable of receiving postal packets up to 20 kilograms and registered

	 uses the Post Office Ltd as the means of providing this access. 95% users of postal services within 5km of an access point In each UK postcode area, premises of 95% of postal users in that area within 10km of such an access point 	mail
1.8.2AA	 Annual report, as at 31 March that year, on: % users of postal services across the UK with a letter box within half a mile, by straight line distance, of their premises total number of letter boxes nationwide and per nation, including a comparison with the previous year number of customer complaints received by the universal service provider in relation to the provision and / or location of letter boxes (not including complaints regarding specified collection times). 	Annual report on letter box access point density
1.10.1(a)	Brand names of the services that Royal Mail provides with a view to meeting its obligations under DUSP Condition 1.6 and 1.7	Notification under DUSP 1.10.1(a)
DUSP 1.3.2A	Annual overview of the addresses excepted from a universal delivery service	Delivery exceptions 2019-20
DUSP 1.3.2A	Annual list of access points	Collection exemptions

	subject to a suspension subject to Data Protection Act and Security considerations.	2019-20 For example:
		 lack of road - post box is on an island with restricted connections access problems - part time post office
DUSP 1.10 CPC 3.3.16 USP Access 8.1	Quarterly performance report of delivery and collection targets and complaints.	Quality of service reports

2.4 Consumer protection law

Goods or services bought from other postal operators, and some from Royal Mail, are traditional contracts. Consumer protection law applies to these. It might also apply if there's a postal issue but no contract. For example, someone takes in a parcel for a neighbour that the neighbour doesn't come to collect.

Refunds for cancelled goods

- consumers can cancel goods contracts as soon as they're made, until the end of 14 days, which usually start the day after the goods are received
- only applies to goods ordered at a distance (online, mail order, telesales) or off-premises (for example, doorstep sales) - not ones bought on trade premises
- some goods are exempt and so don't attract a cancellation period
- consumers must return goods within 14 days of cancelling
- trader must provide refund within 14 days of receiving returned goods (or from when consumer proves goods were returned)
- original standard delivery charges must be returned (but not any extra premium delivery charges)
- the cost and physical return of items can be placed on the consumer, providing this was made clear before orders were placed
- an amount can be retained by the trader, from the refund, if the consumer has reduced the value of the goods by handling them beyond what was necessary to establish their nature, characteristics and functioning, providing this possibility was pointed out beforehand

Refunds for faulty goods

- the trader has a duty to give the consumer a full refund for faulty goods
- the consumer must make the goods available for collection by the trader, or return them as agreed

- consumers should receive any refund due within 14 days of the trader agreeing the consumer is entitled to a refund
- the trader should cover any reasonable return costs (could send a prepaid return label), but
- if goods were originally collected or bought in the trader's premises, rather than delivered to the consumer, it's sensible to negotiate in advance for the trader to pay this, otherwise a later claim might fail

Price transparency

- certain information should be provided to consumers before they enter into a contract
- exactly what has to be provided depends on the type of contract distance, off premises or on premises contract
- this includes any delivery (all contracts) costs
- if the trader wants the consumer to bear the cost of returning cancelled goods (distance and off-premises contracts) there must be a statement to this effect
- for distance contracts, if the goods could not usually be returned by post, because of their nature, the cost of returning them must be given
- for off premises contracts, if goods were delivered/left at the consumer's home when the contract was made, the trader must collect them, at their own expense, if they could not normally be returned by post
- all information should be provided in a clear and comprehensible manner
- the format for the provision of information also depends on the type of contract

Risk of damage during delivery Buying from a trader

- the trader bears the risk in relation to the goods until they are delivered to the consumer
- but if the consumer arranges their own courier, using an option not offered by the trader, then the consumer will bear that responsibility
- the consumer might have a claim against the courier if they experience poor service

Buying from a private seller

- the seller bears the risk in relation to the goods until they are given to the delivery company
- unless the seller uses an inappropriate postal service and the goods get lost or damaged
- Advertising

The Advertising Standards Authority (ASA) is the UK's independent advertising regulator. The ASA makes sure ads across UK media stick to the advertising rules (the Advertising Codes). The Committee of Advertising Practice (CAP) is the sister organisation of the ASA. CAP is responsible for writing the advertising codes.

UK ad regulation is a system of 'self-regulation' and 'co-regulation'. This means the advertising industry funds regulation.

Self-regulation means industry (through CAP) writes the rules advertisers must stick to. This covers non-broadcast ads like social media, emails and leaflets.

Co-regulation is an arrangement the ASA have with the communications regulator, Ofcom. This gives ASA regulatory responsibility for TV and radio ads.

The ASA regulates most ads and promotions across media. The types of ads they deal with include:

- press ads
- radio and tv ads (including teleshopping presentations)
- ads on the internet, smartphones and tablets
- ad claims on companies' own websites
- commercial email and text messages
- posters/billboards
- leaflets and brochures
- ads at the cinema
- direct mail, whether personally addressed or not.

Advertising claims relating to the post sector can apply to all these ads. For example:

- claims on envelopes
- 'next day' delivery claims online
- misleading delivery charges, postage and packing fees or prize draw mailings
- video ads causing fear and distress without justifiable reason
- accuracy of online reviews

The ASA publishes summaries of complaints they investigate on their website. These are called 'rulings' and are a record of ASA policy on what is and isn't acceptable in ads. Rulings with consequences for a whole sector might mean the ASA issues an enforcement notice. An enforcement notice gives guidance on how to comply with the rules and timelines for compliance. For example, an enforcement note on advertised delivery restrictions and surcharges.

Advertisers who don't follow ASA rules, notices or actions within ASA rulings might be referred to Trading Standards or Ofcom.

Trading Standards is the legal backstop for non-broadcast advertising. Ads referred to Trading Standards are listed on the ASA website. The ASA Trading Standards enforcement leaflet gives examples of the sanctions available to Trading Standards.

Negligence

Negligence means a failure to take care. There doesn't need to be a contract for negligence to apply. Someone who suffers loss or damage because of negligence can claim compensation. They make their claim to the person who was negligent.

Examples of negligence in postal issues include:

- someone takes in a parcel for a neighbour that the neighbour doesn't come to collect
- a parcel gets delivered to the wrong address and no-one there is in when the consumer goes to collect
- a delivery company damages a wall on the consumer's property by reversing into it
- a delivery company leaves a parcel behind a bin and the parcel isn't there when the consumer goes to retrieve it.

Someone who takes delivery of a parcel for someone else has a duty of care to look after it. A delivery company has a duty of care to drive safely and choose safe places for items they can't deliver.

Negligence can apply on its own or alongside contract rights. It's usually better for consumers to use their contract rights to sort out a problem. For example, when a delivery company leaves a parcel behind a bin and it's not there when the consumer goes to retrieve it. The delivery company doesn't have a contract with the consumer, but the retailer does. The consumer could make a Consumer Rights Act claim to the retailer.

When there's no contract rights, negligence protects against loss or damage. A claim for negligence can only be for losses that happen as a direct result of the negligent action. For example, the cost of repairing a wall a delivery driver damaged.

Consumers who take in parcels for neighbours have a duty of care to look after them. This protects the parcel from loss or damage while it's in their care. If the neighbour doesn't collect the parcel, the consumer can follow the Torts (Interference with Goods) Act process to dispose of them.

Torts (Interference with Goods) Act

The Torts (Interference with Goods) Act sets rules to follow when someone has goods that don't belong to them⁴. Example of how it applies in post include:

- someone takes in a parcel for a neighbour that the neighbour doesn't come to collect
- a parcel that couldn't be delivered to the addressee isn't collected and there's no return address details to return the item to the sender.

The person with the parcel must take reasonable steps to find the owner of the goods or their address. Online shopping parcels often have the name of the retailer. Some retailers and online marketplaces include order specific information on the postage label.

If they find the owner's address, the person with the parcel should send the owner a letter with proof of posting. The letter must:

- list the goods
- say where the goods are kept
- give the owner a reasonable amount of time to collect the goods it's usually best to give them 3 months
- say they will sell the goods if the owner doesn't collect them in that time.

The person with the parcel can sell the goods if the owner doesn't collect it by the date in the letter. They can also sell the goods if they can't find an address for the owner. It's usually best to sell the item(s) at auction - they need to be able to show they got a reasonable price for them. They have to give the owner the money from selling the goods, minus:

- the cost of selling the goods
- any money the owner owes them.

2.5 The Equality Act

The Equality Act gives protection against unfairness and unfair treatment **linked to** a protected characteristic. There are 9 protected characteristics:

- age
- disability
- gender reassignment
- marriage and civil partnership
- race
- religion or belief

⁴ Torts (Interference with Goods) Act 1977 s12 & Sch 1, Advisernet 2.31.0.15

- sex
- sexual orientation⁵.

Unfairness and unfair treatment includes:

- discrimination
- failure to make reasonable adjustments
- harassment
- victimisation.

Service providers - like post offices, parcel companies and PUDO points must treat people fairly. Examples of good practice in the postal sector include being able to:

- check accessibility details for post offices and PUDO points Citizens Advice post policy team published research on accessibility at post offices in 2018⁶ and at PUDO points in 2019⁷
- tell the delivery company about any accessibility issues for example, needing more time to answer the door or leaving an item somewhere easy to reach⁸.

The Equality and Human Rights Commission enforces the Equality Act. The Equality Advisory Support and Service helps people who need information, advice and support with equality issues.

Flowchart 2.1 shows how to spot discrimination issues. Flowchart 2.2 shows where to get help with discrimination issues.

⁵ s4-12 Equality Act 2010

⁶ Citizens Advice: Accessibility at post offices

⁷ Citizens Advice: The missing link: Why parcel companies must deliver for disabled people

⁸ Citizens Advice: The missing link: Why parcel companies must deliver for disabled people