

POSTRS

Postal Redress Service

Annual Report 2012



**Independence
Impartiality
Integrity**

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Introduction from the Chief Executive



I am pleased to present the POSTRS Annual Report covering the period from 1 October 2011 to 31 December 2012. Previously, the reporting period for POSTRS Annual Reports was from 1 October to 30 September of each year. Future reports will cover the data for the calendar year.

It is with pleasure that I report that the contractual agreements between POSTRS and the postal providers that form our subscriber base were renewed within this reporting period. We look forward to building on our working relationships with postal providers operating within the UK market in future, while delivering improved independent consumer complaint resolution.

POSTRS continues to provide an invaluable role in resolving disputes between users of regulated postal services and regulated postal providers. The service we provide offers consumers an independent and impartial final stage in complaints against regulated postal providers. Adjudicators appointed by POSTRS weigh up all of the evidence provided by the parties and aim to arrive at fair and reasonable decisions which provide independent redress for consumers.

The oversight provided by the POSTRS Council has continued to offer an important and valued role in representing all relevant interests in the functioning of the scheme. There have been some notable changes to the POSTRS Council over the last year. I would personally like to extend my gratitude to Bernard Quoroll and Michael MacClancy for their valuable contribution as members of the Council. Special thanks goes to Gregory Hunt, who has recently changed roles from Managing Director of IDRS Ltd to Director of Client Relations across the whole of the Centre for Effective Dispute Resolution (CEDR), the parent company of IDRS Ltd. I would also like to welcome Chris Holland, the new Chairman of the Council, Moi Ali as the new Independent Member and Angus Russell, who now represents the Mail Competition Forum on the Council. They bring invaluable expertise to the Council and we look forward to working together.

This report sets out the main trends that have emerged in the past year, in terms of the disputes brought to POSTRS and the outcomes of the adjudicators' decisions. The number of enquiries made to POSTRS which fall within our terms of reference has increased by 29% in this reporting period, and I am pleased to report that our overall performance in relation to our Key Performance Indicators has improved across the board.

A handwritten signature in black ink, appearing to read 'Karl Mackie', written over a light blue horizontal line.

Dr Karl Mackie CBE
Chief Executive

Message from the Chairman



It gives me great pleasure to introduce this Report as the newly appointed independent Chairman of the Postal Redress Service (POSTRS) Council.

The postal industry in the UK continues to provide an invaluable means of communication for individuals and businesses throughout the country. Therefore, it is vital that consumers of regulated postal services have access to independent dispute resolution when things go wrong and they cannot get their complaints resolved by the providers of those services. POSTRS provides a review service for those complainants who have exhausted the internal systems of a regulated postal service provider and remain dissatisfied. POSTRS is free to consumers and completely independent of its member companies, and its role is to impartially and objectively review consumer complaints made against regulated postal service providers.

The role of the POSTRS Council is to provide oversight of the way in which POSTRS operates, in order to ensure that it continues to work efficiently and meets agreed quality and performance standards. It is the Council's priority to protect and uphold the independence and impartiality of POSTRS. As Chairman, it is my responsibility to convene and chair regular Council meetings and to ensure the smooth running of Council business at all times.

On the Council's behalf let me thank Bernard Quoroll, who was interim Chairman since 2012 when the previous Chairman, Jodi Berg, stood down. Bernard played a crucial role as independent Council member and his contribution is much appreciated. Moi Ali has been appointed as the second independent member of the Council, following Bernard's departure. I am delighted to welcome Moi and know that her expertise in the postal and communications industry, as well as in consumer issues more broadly, will bring a valuable perspective. Angus Russell has replaced Michael MacClancy as representative of the Mail Competition Forum. I look forward to working with Angus, and am grateful to Michael for his contribution to the council. The final change to the council is that Graham Massie, Chief Operating Officer of IDRS Ltd has replaced Gregory Hunt as representative from IDRS Ltd. Many thanks and congratulations go to Gregory, who has recently assumed the role of Director of Client Relations for the Centre of Effective Dispute Resolution (CEDR). IDRS Ltd is a wholly owned subsidiary of CEDR.

POSTRS has a good track record. It provides an important service to consumers and, as this report shows, it operates efficiently and effectively. POSTRS staff deserve congratulations for its achievements. They do an often difficult job to a high standard and the Service will continue to ensure it meets the needs of those consumers who require alternative dispute resolution in respect of postal services.

A handwritten signature in black ink, appearing to read 'C Holland', written in a cursive style.

Chris Holland
Chairman - POSTRS Council

The POSTRS Council

Chris Holland – Independent Council Chair

Chris is an independent consultant and a member of the Communications Consumer Panel. He was with BT for 32 years where he held senior customer service positions including Head of the Chairman's Service Office, and Head of Specialist Dispute Resolution. Chris was a non-executive director of Ombudsman Services Ltd between 2003 and 2011. He chaired the Otelo Member Board from 2006 to 2011.

Moi Ali – Independent Member

Moi served for six years on the Board of Postwatch, where she chaired the independent complaints review panel. She is currently Scotland's first Judicial Complaints Reviewer, and she holds a number of other non-executive roles, in addition to being a communications consultant and author of books on a range of communications issues.

Anne Fletcher – Royal Mail Group

Anne is the Compliance Director at Royal Mail Group. Previously Anne was with BT for almost 24 years, mainly in the legal department, where she was involved a very wide range of legal matters for all parts of the company, most recently for 9 years as Group General Counsel. Before BT, Anne worked for two firms of solicitors – Foysters, Manchester and Freshfields, London.

Graham Massie – IDRS Ltd

Graham is the Chief Operating Officer of IDRS Ltd, and is responsible for all internal operations, systems and procedures. Graham has over 25 years' experience as a business consultant and trainer of technical and business skills. His current project portfolio includes working with a range of leading professional firms, international organisations, corporate and public sector bodies to develop their in house negotiation skills and conflict management systems.

Angus Russell – Mail Competition Forum

Angus is the Director of Legal & Corporate Affairs at TNT Post. Angus has been responsible for managing the company's legal and corporate affairs since October 2006. Angus has built a reputation as a postal regulatory specialist. He was the first Secretary of the Mail Competition Forum, the trade association representing the interests of market entrants in the UK postal market.

Gina Shim – IDRS Ltd

Gina is the Schemes and Business Development Manager at IDRS Ltd. She is responsible for the management, business and scheme development activity across POSTRS and all other consumer, independent complaints review and ombudsman schemes run by IDRS Ltd. Gina is also the Senior Adjudicator at IDRS, a mediator and a Member of the Chartered Institute of Arbitrators.

Mel Tomlin – Royal Mail Group

Mel is the Customer Experience Director for Royal Mail Group. Mel has 13 years' experience in the postal industry, operating at board level both in the UK and internationally. Prior to joining Royal Mail, Mel led operations and Customer Services teams in the quarrying and construction sector, both in the UK and US.

Report on POSTRS Performance

Reporting period

The reporting period for POSTRS was previously 1 October to 30 September of each year. In line with all other services provided by IDRS Ltd, this POSTRS report and all future reports will cover the period 1 January to 31 December. In order to facilitate this change, for the purposes of this report, all of the following reporting periods will be referred to as follows:

- Q4 2011 covers the period 1 October 2011 to 31 December 2011
- Q1 2012 covers the period 1 January 2012 to 31 March 2012
- Q2 2012 covers the period 1 April 2012 to 30 June 2012
- Q3 2012 covers the period 1 July 2012 to 30 September 2012
- Q4 2012 covers the period 1 October 2012 to 31 December 2012
- All other references to the year 2011 relate to the period 1 October 2010 to 31 September 2011

Key performance indicators

POSTRS was originally approved by Postcomm, the postal services regulator, which was replaced in October 2011 by the Office of Communications (Ofcom). At the inception of the scheme, Postcomm agreed a set of key performance indicators with POSTRS which are regularly monitored by the regulator and by the POSTRS Council, to oversee performance of POSTRS. The figures below show the POSTRS KPIs for the following periods:

The Key Performance Indicators are as follows:

KPI 1 Percentage of calls answered by POSTRS staff within 2 minutes

KPI 2 Percentage of written correspondence receiving a response within 5 working days

KPI 3 Percentage of adjudicators' final decisions issued within 6 weeks of receipt of the application from the customer

KPI 4 Percentage of adjudicators' final decisions issued more than 8 weeks after receipt of the application from the customer and the reasons why

KPI 5 Unit cost as an indication of improved efficiency. The total costs to postal operators divided by the number of valid applications. Reported on a quarterly basis

Table 1

Name	Q4 2011	Year 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Year 2012	Targets
KPI 1	100%	100%	100%	100%	100%	100%	100%	95%
KPI 2	99%	99%	100%	100%	99%	99%	99%	100%
KPI 3	91%	90%	94%	99%	99%	97%	97%	90%
KPI 4	0%	2%	0%	0%	0%	0%	0%	<3%
KPI 5	£224.09	£322.36	£320.61	£281.03	£278.01	£266.52	£285.18	N/A

We are pleased to report that we have met our KPIs for the percentage of calls answered by POSTRS staff within 2 minutes; and percentage of adjudicator's final decisions issued within both 6 and 8 weeks of receipt of the application from the customer. Our current IT system does not include bank holidays in the calculation of the percentage of written correspondence within 5 working days. We did not meet this KPI in the period Q4 2011, or Q3 and Q4 of 2012 on this basis. There has been a notable improvement in KPI 3, the percentage of adjudicators' final decisions issued within 6 weeks of receipt of the application from the customer; and in KPI 4, the percentage of adjudicators' final decisions issued after 8 weeks of receipt of the application from the customer, from the previous reporting period.

Average adjudication timescale

The table below shows the average number of calendar days it takes from the date of receipt of a complaint form, to the issuance of the adjudicator's final decision.

Table 2

Average response times between receipt of a complaint form and issue of the final decision (i.e. time taken by POSTRS to make final decision on cases, number of days)	Number of days
Q4 2011	39
Q1 2012	38
Q2 2012	35
Q3 2012	35
Q4 2012	39

These figures demonstrate the commitment and success of implementing efficiency measures to improve the users' experience of the POSTRS scheme. Overall the average number of days taken to complete a case remained the same as in the previous reporting period.

Customer contact with POSTRS

The following tables show statistical information about customer contact and use of POSTRS during the period.

Table 3

Number of enquiries / contacts	Main Totals	Regulated Postal Operators registered with POSTRS	Postal Operators not registered with POSTRS*
Q4 2011	99	97	2
Q1 2012	77	77	0
Q2 2012	147	147	0
Q3 2012	146	144	2
Q4 2012	123	123	0
Total for 2012	493	491	2

*All Regulated Postal Operators should be registered to an approved ADR scheme, and POSTRS is the only approved scheme. Therefore, if we are contacted about a Regulated Postal Operator who is not registered with the scheme, we will contact the Regulated Postal Operator in question and at the same time notify Ofcom of their non-compliance with the Postal Services Act 2011. Occasionally, we will be contacted about a Regulated Postal Operator who is registered with POSTRS but the case in question may be out of scope (terms of reference), or about Postal Operators that are not required to be a member of POSTRS.

Initial points of contact with POSTRS

This table shows one category for each point of contact which relates to a Regulated Postal Operator registered with POSTRS. This table is only an indication of the main dispute as it has been described to our administrator at the first point of contact. Only one category is selected at this stage of the process. The customer may claim more than one issue at the time of application to POSTRS. For example, when they first contact us, they may say that an item was lost in the post. However, when they submit their application form, they may indicate that there were also customer service issues when they contacted the postal operator to report that an item had been lost.

Table 4

The number of enquiries/contacts with POSTRS	Total	Customer Service	Damage	Delay	Loss of Item	Other/ Undefined
Q4 2011	96	1	0	1	89	5
Q1 2012	77	0	2	3	57	15
Q2 2012	147	5	5	8	39	90
Q3 2012	144	19	8	2	29	86
Q4 2012	123	0	8	4	32	79
Total for 2012	491	24	23	17	157	270

As was the case last reporting period, the loss of an item remains the main reason for contact within the given categories of customer service, damage, delay and loss of item. There is a significant increase in cases which fall into the other/undefined category. Whilst we do not currently report on issues such as price increases, it has been noted that we experienced a higher volume of contacts about our services following the price increase from one of our largest postal operators. Other enquiries/ contacts we have received which fall into this category relate to products not covered under POSTRS, disputes against members of staff such as postmen, or we have simply received contact where the customer has enquired about our service without giving us any details about their complaint.

Enquiries outside the scope of POSTRS

The next table shows the number of enquiries/contacts POSTRS has received where it was explained to the customer that the complaint was not something POSTRS could deal with, as it fell into one of the categories given below.

Table 5

Number of enquiries / contacts to POSTRS (Rejected by POSTRS)	Total	Non member / unknown company	Over 9 months old	Product outside scope	Business decision
Q4 2011	2	0	0	1	1
Q1 2012	0	0	0	0	0
Q2 2012	1	0	0	1	0
Q3 2012	2	2	0	0	0
Q4 2012	2	0	0	1	1
Total 2012	5	2	0	2	1

Only 1% of enquiries are rejected which endorses the effectiveness of the companies' signposting procedures.

Applications outside the scope of POSTRS

The table below indicates the reasons why applications POSTRS has received are found to be outside the scope of the scheme and the number of cases which fell into each category in this reporting period.

Table 6

Number of applications which are out of scope with reasons	Total Rejected	Premature	Product out of scope	Over 9 months limit	Not a POSTRS registered company	Business decision*
Q4 2011	71	41	14	13	3	0
Q1 2012	56	31	12	7	6	0
Q2 2012	73	39	13	15	6	0
Q3 2012	45	25	10	4	6	0
Q4 2012	58	31	16	3	8	0
Total 2012	232	126	51	29	26	0

*A business decision is any decision related to a Regulated Postal Operator's business processes and procedures, such as the number of mail deliveries it carries out each day, the time at which such deliveries take place; the manner in which it trains or disciplines its staff; or the amount it charges for its services etc.

Total case numbers and deadlock letter

The following table shows the number of cases received, and the number of those cases which were initiated as a result of a "deadlock" letter for both reporting periods. A deadlock letter is a letter which indicates that the parties have reached a point where no further progress can be made, as neither party are willing to change their position on the matter at hand, or the specified time period for resolving the complaint has expired. In order to compare this data, the quarters reported for 2011 in the table below correspond to calendar year quarters. (i.e. Q1 2011 covers the period 1 January 2011 to 31 March 2011, etc.)

Table 7

Number of cases split by those initiated as a result of a “deadlock” letter	Number of cases (total) 2012	Number of cases (total) 2011	With deadlock letter 2012	With deadlock letter 2011
Q1	123	124	99	95
Q2	141	115	88	89
Q3	141	141	94	111
Q4	148	117	86	77
Totals	553	497	367	372

The percentage of all cases received with a deadlock letter has decreased by approximately 9% on the previous year.

Types of complaints

The next table shows the various types of reasons why customers raise complaints, as shown on their application forms. Customers can raise more than one issue in their application form. However, customers are asked to categorise their complaint under one heading at this stage of the process.

Table 8

Complaint type for accepted POSTRS applications	Total	Customer Service	Damage	Delay	Loss of Item	Other/ Undefined
Q4 2011	96	1	0	1	89	5
Q1 2012	123	5	3	0	113	2
Q2 2012	141	7	27	15	86	6
Q3 2012	141	17	22	10	80	12
Q4 2012	148	3	23	9	86	27
Total 2012	553	32	75	34	365	47

It should be noted that the number of applications accepted by POSTRS exceeds the number of cases dealt with by an adjudicator in this reporting period. This is because some applications will be processed within this reporting period, but the adjudicator’s decision would not be issued until the following year.

Adjudication outcomes

The table below shows the number of cases dealt with by an adjudicator and a breakdown of the number of cases which were found in favour of the customer or in favour of the Regulated Postal Operator.

Table 9

Reporting period	Number of cases dealt with by an adjudicator	Wholly in favour of the customer	Partly in favour of the customer	Decision in favour of the Regulated Postal Operator
Q4 2011	111	3	34	74
Total 2012	516	6	179	331

In 36% of cases adjudicated upon during this reporting period, the adjudicators found either wholly or partly in favour of the customer. This has decreased from 41% of all cases reported in 2011. This is likely due to the remit of POSTRS changing with one of the Postal Service Providers in 2012. The remit of POSTRS for this Postal Service Provider no longer includes cases where a customer service issue has been raised for a case that is otherwise outside the scope of POSTRS to deal with.

Generally, customers raising a claim under POSTRS will only raise one particular issue on their application form, such as the loss, damage or delay of an item of post. However, there are occasions where more than one issue is raised. This is most often in relation to customer service issues, or issues outside the scope of the scheme. Where an issue has been raised that is outside the scope of POSTRS, the adjudicator will explain within their decision that it is not within their remit to make any findings in relation to that particular point, but proceed to issue a decision on the issues claimed within their remit.

Report on Customer Service Satisfaction Survey

Introduction

A regular programme of research has been carried out among consumers who made contact with POSTRS. Historically, the survey was carried out by an external agency. Identical questions to those posed in previous years were sent to people who had a case go through the adjudication process (Users) and people who have contacted us by email, phone, post etc. who have been sent an enquiry pack (Enquirers) of the Postal Redress Service by IDRS Ltd for this reporting period.

The objectives of the survey were to:

- Provide an on-going monitor of satisfaction with the User and Enquirer experience
- Identify potential improvements to the User and Enquirer experience
- Provide statistical evidence of satisfaction levels for publication in the Annual Report

Throughout the report, findings are sometimes differentiated between Enquirers and Users.

It is important to note that the small sample sizes (particularly for Enquirers) mean that any statistical comparisons between Users and Enquirers are not statistically significant.

We always endeavor to achieve the highest satisfaction levels and will look at ways to improve wherever possible.

Overview of Findings

The survey has shown that satisfaction ratings are broadly in line with previous years. The key findings to emerge are that:

- Satisfaction is largely dependent on the outcome of an applicant's case, and not necessarily a measure of the way in which their case was handled by POSTRS;
- Comments from respondents indicate a frustration that POSTRS appears to be powerless against the mail operators they have a complaint with. Such a sentiment reinforces the on-going need for POSTRS to help customers understand the validity of potential claims, and to manage the expectations of customers in terms of its own powers, which are constrained by the Rules and the terms on which services are provided. Equally, it should be remembered that applicants will already have been through the internal procedures of the Regulated Postal Operators which may filter out potentially "successful" complainants.

Demographics

The profile of those contacting POSTRS is skewed toward men, with 70% of Enquirers and Users aged 46 and over. The base noted below is made up of 28 Users who responded to the survey and 8 Enquirers.

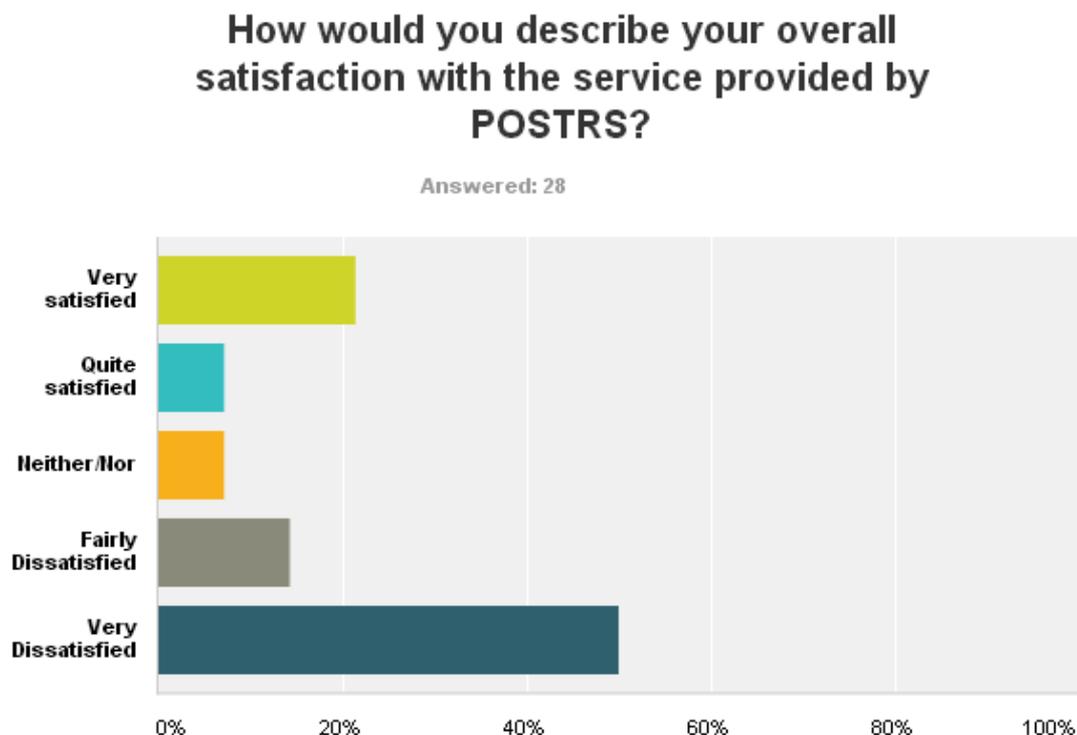
Table 10

Demographic profile of POSTRS Enquirers/Users	
Base	36
Gender	%
Male	61
Female	39
Status	%
Has some form of disability	5
Age	%
Up to 35 years old	15
36- 45	15
46-55	23
56-65	26
66+	21

Overall Satisfaction with POSTRS

(i) Users' overall satisfaction with the POSTRS service

Figure 1



Satisfaction with the service has remained largely the same as reported in the previous year. Overall, 36% of Users indicated that they were very satisfied, quite satisfied or neither satisfied nor dissatisfied with the service, in comparison to 39% reported for these three categories the previous year. The remaining 64% of Users indicated that they were fairly dissatisfied or very dissatisfied with the service in comparison to 61% reported the previous year.

These satisfaction scores can be contextualised on the basis that Users may have based their opinion on the outcome of the adjudicator's decision rather than the quality of the service provided to them by POSTRS. It is important to note that only 4% of the Users who responded to the survey received a decision that was wholly in their favour and 11% partly in their favour. The remaining 86% of Users who responded to the survey were unsuccessful in their claims. Given that the majority of cases in this reporting period were not settled in favour of complainants, it is to be expected that a large proportion of Users who responded to the survey registered a response of 'very dissatisfied'.

This has been a trend reported in previous years. This explains why responses are polarised between very satisfied and very dissatisfied, often correlating with whether or not a User's claim to POSTRS was successful.

(ii) Enquirers' overall satisfaction with the POSTRS service

Only six enquirers responded to this part of the survey. Out of the 6 who responded, 4 indicated that they were very dissatisfied with the service, 1 indicated that they were fairly dissatisfied and 1 indicated that they were neither satisfied nor dissatisfied with the service they received from POSTRS.

Enquirers to POSTRS were generally dissatisfied with the overall service that they had been provided with. As the enquirers involved in the survey were defined as having been sent an application pack but not progressed their enquiry, the lack of progress may explain why there is a tendency towards dissatisfaction with the service.

The customer journey

(i) Initial source of awareness

A total of 83% of Enquirers reported that they were made aware of POSTRS from the postal service provider that they had a complaint with. The remaining 17% indicated that they first heard about POSTRS through the internet. Other agencies or advisory bodies such as Consumer Focus, Consumer Direct, Ofcom, Trading Standards and Citizens Advice continue to play a relatively small role in signposting Enquirers to POSTRS, a trend that has been evident in previous reporting periods.

A total of 77% of Users were directed to POSTRS by the Regulated Postal Operator that they had a dispute with, after completing their internal complaints procedure. This is a trend that has been noted in previous reporting periods, and which mirrors the usual way in which Enquirers were directed to POSTRS. The remaining 23% of Users reported that they were directed to POSTRS by an advisory centre such as Citizens Advice or Trading Standards, Ofcom, or learned about POSTRS through the internet.

(ii) Getting in touch with POSTRS

Once Enquirers had been made aware of POSTRS, they chose to approach us through a wide variety of communicative methods. The majority of Enquirers (57%) contacted POSTRS by e-mail in the first instance. This is a significant change from previous years, where the preferred method of initially getting in contact with POSTRS has been by letter and telephone. In 2012, only 14% of Enquirers contacted POSTRS by letter or fax, while 29% of Enquirers got in touch with us via telephone.

Most Users (75%) had previously completed the complaints procedure of the Regulated Postal Operator with which they had a dispute before approaching POSTRS for the first time. Therefore, the vast majority of Users made their first contact with POSTRS in order to register a complaint about a Regulated Postal Operator.

The vast majority of Users (90%) found it either very easy or quite easy to get in touch with POSTRS. Less than 5% of Users indicated that they found it difficult to contact POSTRS.

(iii) Advice received prior to contacting POSTRS

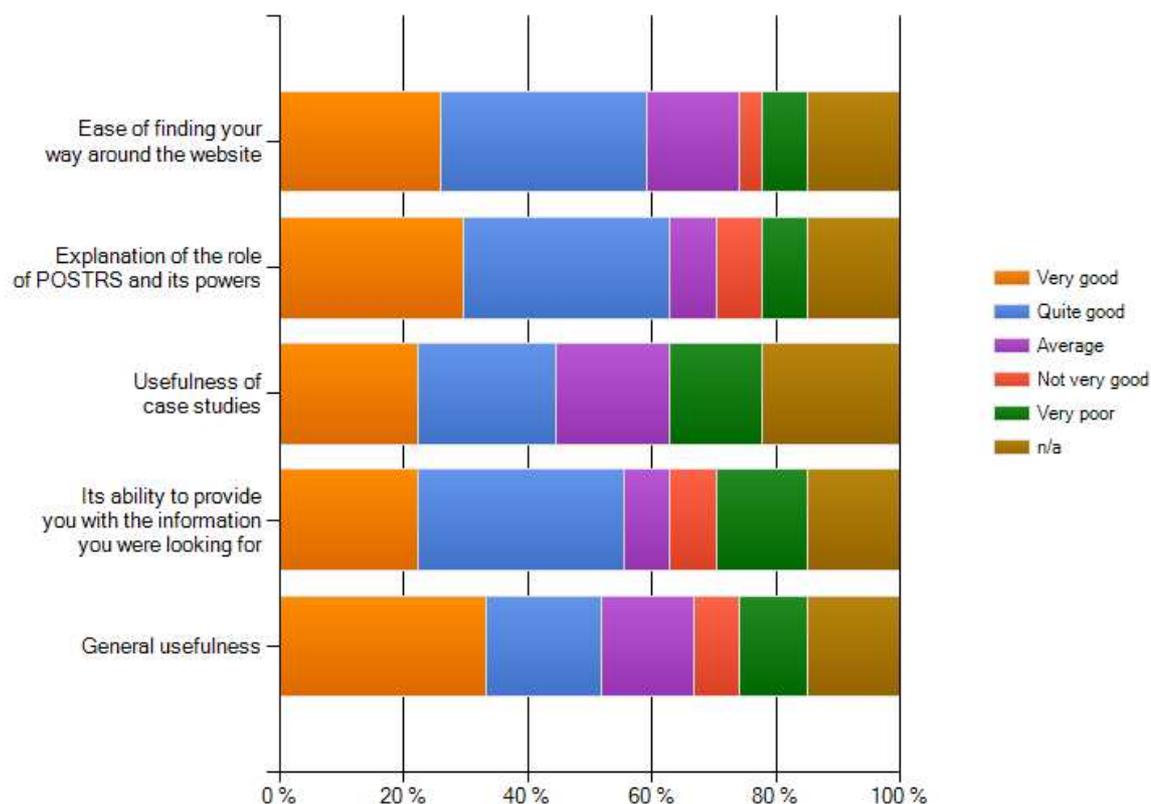
Unless Users were directed to POSTRS by a postal service provider, advice was rarely sought elsewhere. A total of 71% of Users did not consider it necessary to obtain advice from another organisation before contacting POSTRS, where the remaining 29% sought advice from Citizens Advice, Trading Standards or the company they had a complaint with. This is a trend that has continued from previous reporting periods.

(iv) Feedback on the POSTRS website

The diagram below shows the feedback we received on the POSTRS website.

Figure 2

If you looked at the POSTRS website, how would you rate the following criteria?



Generally, most of the Users who responded to this question had positive feedback on the ease of finding their way around the website; the explanation of the role of POSTRS and its powers; the ability to provide the information they were looking for; and the general usefulness of the website overall. We also received positive feedback, although to a lesser degree, on the usefulness of the case studies.

Perceptions of POSTRS Service Delivery

(i) Impressions of Service Delivery

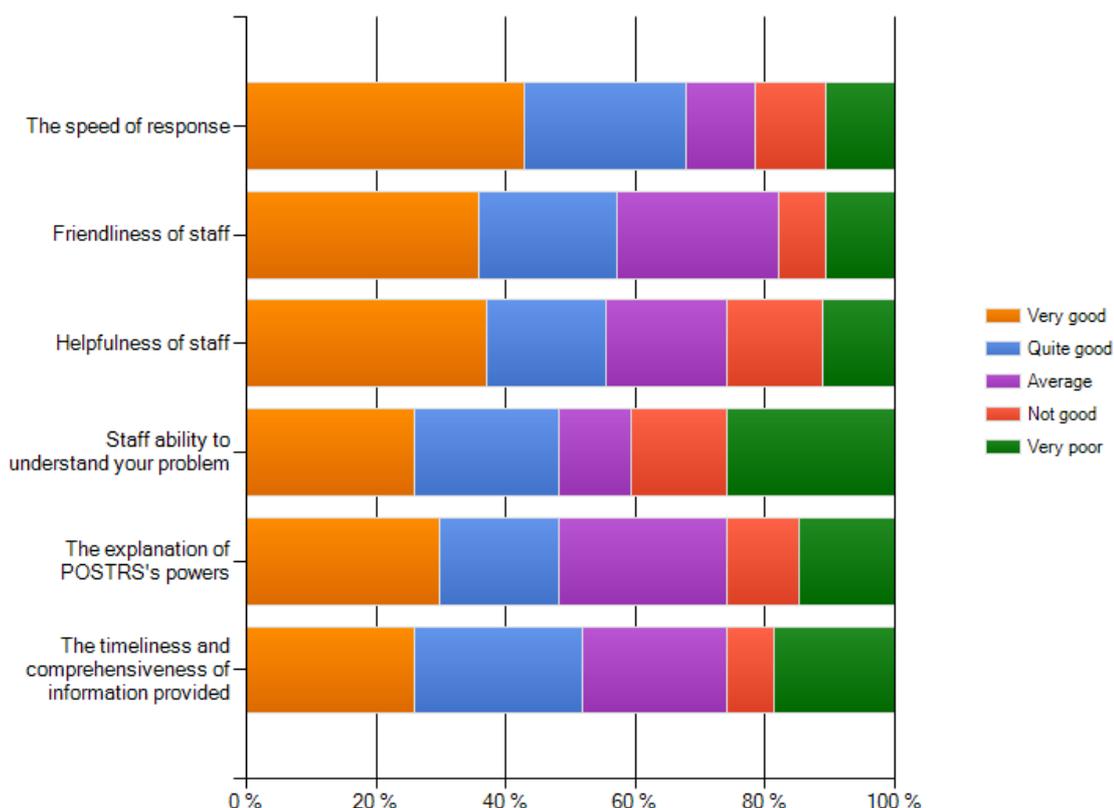
Users and Enquirers were asked to rate various aspects of their contact with POSTRS.

As Enquirers to POSTRS generally had very limited contact with us, and they ultimately did not make an application to the scheme, their responses are largely negative.

However, Users of the scheme were better equipped to provide feedback on the points below. As the data shows, Users were generally happy with all of the service elements shown below, with dissatisfied Users forming a minority in each of the areas covered by the survey. This continues the trends reported in previous years, which show that those who have had more extensive contact with POSTRS report generally more favourable perceptions of the quality of service provided by us.

Figure 3

How would you rate the following aspects of your contact with POSTRS?

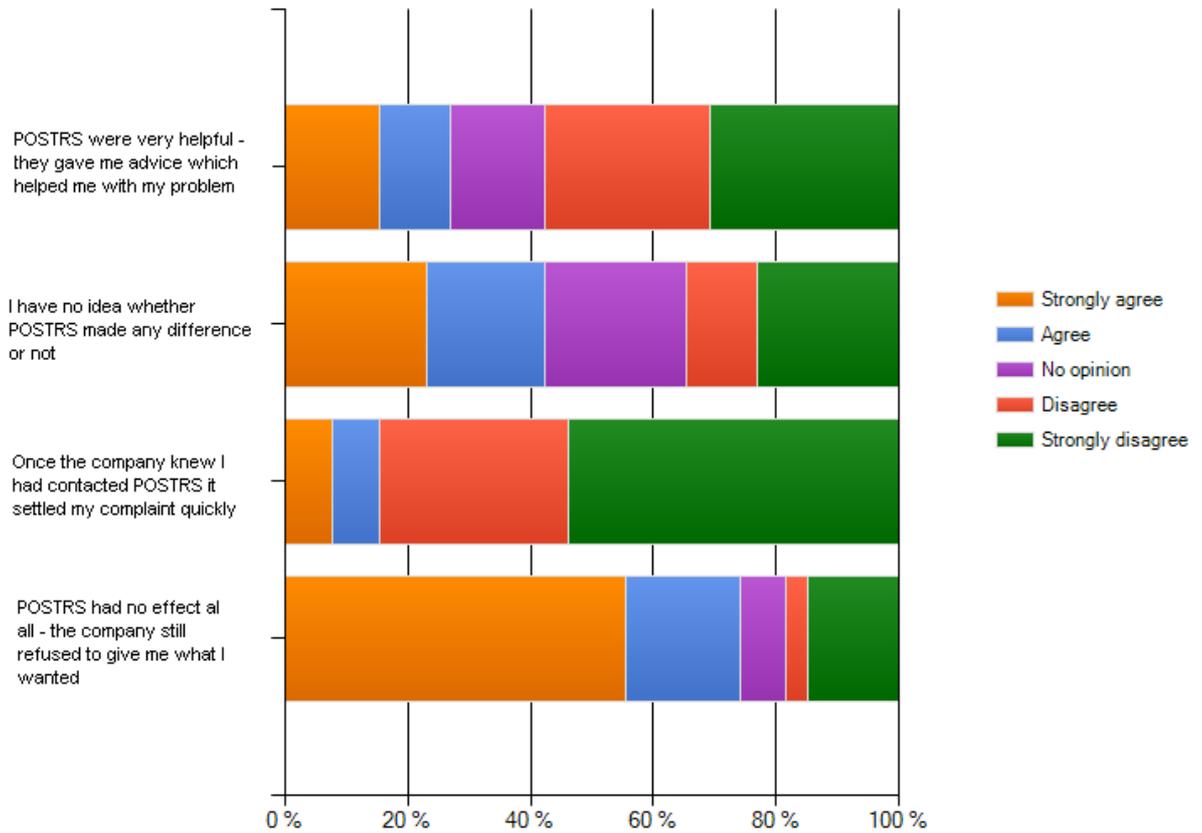


(ii) Effectiveness of POSTRS in encouraging settlements

Users were also asked for their views on the effectiveness of POSTRS in pursuing their complaints. Consistent with trends noted in previous years, Users generally do not have a positive impression of the role that POSTRS plays in encouraging Regulated Postal Operators to settle cases speedily.

Figure 4

To what extent would you agree or disagree with each of the following statements about POSTRS:



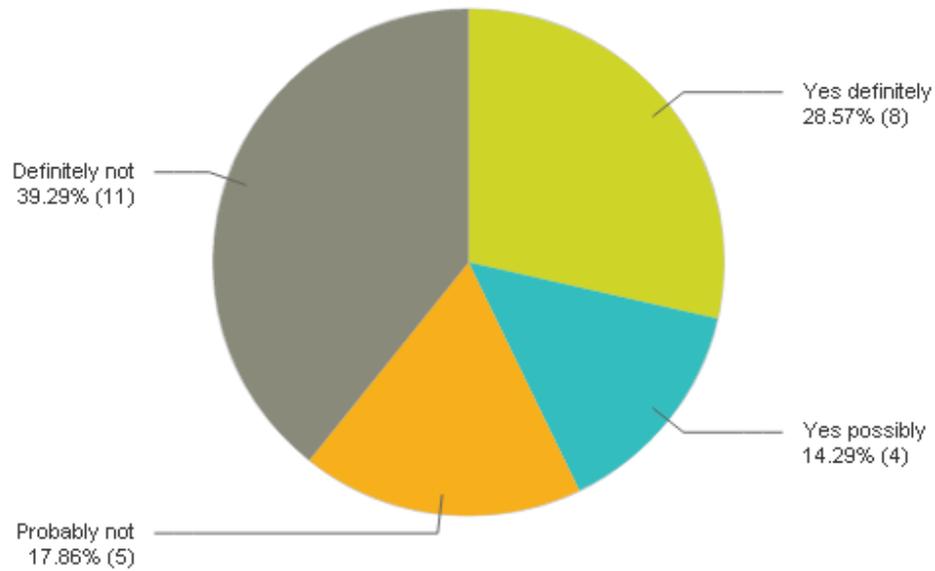
(iii) Willingness to use POSTRS again

A total of 42% of Users stated that they would be willing to use POSTRS again. This is an encouraging statistic when viewed in light of the amount of cases that do not have an outcome which is in the User’s favour. This indicates that a significant proportion of Users whose cases do not go in their favour would still be willing to use POSTRS again in future.

Figure 5

Would you be willing to use POSTRS again?

Answered: 28



Case Studies

The Case Studies are summaries of cases provided to give some guidance as to how POSTRS works and what kind of remedies are available. They are not the full case and are to be used as a guide only. The Adjudicator considers all the relevant circumstances in each case before coming to a reasoned decision.

CASE 1

Time limit for submitting claims

The Customer ("C") posted an item using a service which offers business customers a tracking facility. The item was not delivered and was lost. C sought compensation from the Regulated Postal Operator provider ("RPO"). The RPO refused this as C had submitted a claim outside of the 80 days' time limit.

Adjudicator's decision:

C's claim does not succeed.

Reasons:

The terms of the service changed in January 2012 and for items posted after that date customers must submit claims for compensation within 80 days of posting. C had not complied with the time limit and therefore C was not entitled to compensation.

CASE 2

Packaging

The Customer ("C") posted a mobile phone using a service suitable for urgent deliveries or for items of a valuable nature. The item was delivered in a damaged condition. C sought compensation from the RPO. The RPO refused this as compensation is not payable where items are not packaged adequately. C did not provide evidence of the packaging used to show that he packaged the item correctly.

Adjudicator's decision:

C's claim does not succeed.

Reasons:

Compensation is not payable where items are not packaged in accordance with the RPO's terms. It is up to the customer to prove they have met the terms of the service in order to receive compensation. Mobile phones should be surrounded in sufficient cushioning material and placed in a strong rigid container. The customer did not provide the original packaging used or photographs of the original packaging. Further, the customer submitted that the phone was wrapped in cushioning material and placed in a plastic bag, which would be insufficient to protect the item from damage.

CASE 3

Proof of delivery

The Customer ("C") posted a bag to an address in China using one of the RPO. The item could not be delivered in China and was returned to the UK using the return address details on the item. The C stated that the bag was not returned to her address and that the signature obtained by the RPO on delivery was not hers.

The C further stated that she lived alone and did not have any guests staying at her home. The C sought compensation in the sum of £150.00 for direct loss.

The RPO denied liability stating that it had fully investigated the matter and it was confident that the correct delivery procedures were followed and the bag delivered to the return address displayed on the package. The RPO submitted that a signature and printed name was obtained to confirm this.

Adjudicator's decision:

C's claim succeeded.

Reasons:

The RPO is under a legal obligation to deliver an item as addressed. The tracking information submitted by the RPO in evidence only showed that the item was delivered from the local delivery office, the tracking information did not confirm whether the item was in fact delivered to the customer's address. The adjudicator could therefore not accept the tracking information as conclusive evidence of delivery.

In addition, the C submitted that the signature obtained by the RPO on delivery was not hers. The C submitted a copy of her driving licence, passport, and two bank cards to show examples of her signature. After careful consideration of the two signatures, the adjudicator accepted the customer's submission that her signature bore no resemblance to the signature obtained by the company. The adjudicator acknowledged that according to the RPO's terms and conditions, the signature obtained by the RPO did not necessarily have to belong to the addressee. However, the adjudicator was also mindful of the customer's submission that she lived alone and did not have any guests staying at her home.

In the absence of any substantive evidence showing that the item was delivered to the customer's address, the adjudicator found that the company had not fulfilled its obligations and compensation for loss was due.

CASE 4

Part loss

The Customer's ("C") mother was the sender ("S") of a birthday card (the "item") with a cheque enclosed which was to be delivered by the RPO to her grandson, the recipient ("R"). C states that the item was tampered with and delivered without the cheque.

C sought an apology, an investigation regarding the unauthorised removal of the cheque, compensation on behalf of S and R for their losses, and compensation for the way in which C's complaint was handled by the RPO.

The RPO asserted that the item was sent without the cheque and that they had fully investigated the matter. The RPO also asked C to pass on their sincere apologies to S and R for any upset the incident had caused and awarded a further six First Class stamps by way of compensation, which was refused by C.

The RPO refused compensation in respect of complaint handling on the grounds that C's complaint was correctly handled.

Adjudicator's decision:

Cs claim does not succeed.

Reasons:

Based on the evidence available, the adjudicator rejected all of C's claims on the basis that the RPO had already given a written apology to C, had taken reasonable endeavours to investigate what happened with the item and the enclosed cheque, and had duly responded to all the queries made by C in her complaint appropriately at all times. The RPO had also already provided the appropriate compensation for loss.

CASE 5

Requirement of evidence of value for compensation

The customer ("C") stated that he posted a gold watch that had been given to him as a wedding gift 36 years ago. C stated that the item was lost in transit. C sought for the RPO to pay £2300.00, being the replacement value of the watch.

RPO accepted that the item was lost in transit, and it provided a postage refund to C for this. However, as C had not provided any evidence which proved the value of the watch, no further compensation was considered.

Adjudicator's decision:

C's claim did not succeed.

Reasons:

The loss of the item was not disputed by RPO. However, it is a requirement of the RPO's compensation policy that evidence of the lost item's value must be provided in order to warrant compensation. C admitted in submissions that no evidence of value could be provided. As C had not provided the required evidence, no further compensation (other than a postage refund) could be justified. Therefore, C's claim for compensation for direct loss was rejected.

CASE 6

Complaint handling

The customer ('C') paid to send a mobile telephone using the RPO's service which required a signature upon delivery (as a supplement to a free post envelope C had been supplied with by the recipient company).

The mobile telephone was missing and the packaging damaged upon delivery at the recipient's address. C claimed compensation for the direct loss suffered in the sum of £50.00 and also a further £50.00 for the way in which the RPO handled the complaint. C claimed that the RPO refused compensation on different grounds at each level of the complaints procedure- lack of evidence, inappropriate packaging and the use of a free post service- which was in turn very confusing. The RPO denied liability.

Adjudicator's decision:

C's claim succeeded in part

Reasons:

The claim for direct loss failed because C had not packaged the mobile telephone in accordance with the guidelines set out in the RPO's guide for posting electronics. In regards to complaint handling, the RPO did not request proof of postage from C when this was not provided nor did it explain why the evidence C had provided was insufficient. Also, the RPO based its refusal to award compensation for direct loss on three separate grounds as discussed above and did not adequately explain why these grounds meant a refusal. The RPO also did not direct C to the relevant parts of the scheme or terms and conditions of the service purchased. The information provided by the RPO was confusing and this would have caused stress, inconvenience and anxiety to the customer and therefore C's claim succeeded in part and C was awarded £30.00 for the manner in which her claim was handled.

CASE 7

Packaging

The customer ("C") posted a car fuel pump using one of the RPO's services. The item was damaged in transit, but RPO refused to pay compensation even though the item had been posted in the same packaging that had been used to originally send it to C. C sought for the RPO to pay £258.05 as compensation for direct loss.

RPO refused to pay C any compensation on the basis that the packaging used to send the item did not meet its requirements.

Adjudicator's decision:

C's claim did not succeed.

Reasons:

Irrespective of the packaging that may have been used to post an item of mail on a previous occasion, any item of mail which is packaged in such a way that does not conform to the RPO's packaging requirements cannot be compensated if damaged in transit. The item had not been sufficiently packaged to prevent it from damage, and so no entitlement to compensation existed. C's claim for compensation for direct loss was rejected.

CASE 8

Packaging

The Customer ("C") posted an Apple iPhone 4 and charger ("the Item") using one of the RPO's services. The mobile phone contained in the Item was missing on delivery. The C sought compensation in the sum of £46.00 for direct loss suffered and compensation in the sum of £50.00 for the stress, anxiety and inconvenience caused by the manner in which the RPO handled his complaint.

The RPO denied liability on the basis that that the item was not packaged sufficiently to ensure its safe journey through the postal system. The RPO also stated that the agreed standards had been adhered to at each stage of the escalation process.

Adjudicator's decision:

C's claim was unable to succeed.

Reasons:

The C had not provided any evidence to show that the Item was packaged in accordance with the RPO's requirements. The adjudicator also found that the RPO had dealt with the complaint appropriately during the complaints handling process.

CASE 9

Part loss - prohibited item

The Customer ("C") posted an iPhone 4 and a lithium battery ("the item") to Australia using one of the RPO's services. However, when the Item was delivered, the iPhone was missing. The C sought compensation in the sum of £500.00 for direct loss suffered.

The RPO denied liability on the basis that the Item was prohibited and there is no evidence to show that the iPhone had been removed from the package prior to delivery.

Adjudicator's decision:

C's claim was unable to succeed.

Reasons:

It is a term of the RPO's compensation policy that the RPO is not obliged to pay compensation for part loss if the contents of an item are prohibited. Lithium batteries or devices containing lithium batteries including mobile phones are prohibited for mailing to Australia. Based on the evidence provided, the adjudicator found that the C had failed to adhere to the RPO's terms of posting and as a result of the C's non-compliance, C was not entitled to any compensation for direct loss suffered.

CASE 10

Evidence of value

The customer ("C") stated that he posted a games console and memory cards (the "item") using one of the RPO's services. C claimed that the Item did not reach the intended recipient and subsequently claimed £65.00 compensation for his loss. The RPO declined C's claim for compensation by providing evidence via its tracked service showing that the Item had been delivered.

Adjudicator's decision:

C's claim succeeded in part.

Reasons:

The signature provided by the RPO was dismissed as it was not obtained at the intended recipient's address. The adjudicator found that the service failed and C was awarded a postage refund accordingly. However, the RPO's compensation policy requires evidence showing the value of the lost item and whilst C provided examples of similar items showing the average selling price, C did not provide substantive evidence to show the actual loss he suffered. No further compensation (other than a postage refund) was awarded.

CASE 11

Maximum compensation

The customer ('C') paid the sum of £200.00 for the RPO to redirect his mail to his new address in France for a period of 6 months. C claimed that on at least two occasions, the service failed and as a result mail was returned to his bank and his bank account suspended. C made a trip to the UK to rectify the situation at the bank. C claimed a refund of the sum paid for the service due to the inconvenience caused.

The RPO accepts that the service to redirect the mail failed on at least two occasions and awarded C a two month extension by way of compensation. The RPO refused to award any further compensation because C had already received more than the prescribed compensation available under the terms and conditions of the service.

Adjudicator's decision:

C's claim did not succeed

Reasons:

The failure of the service purchased was not disputed by the RPO. However, under the terms and conditions of the service purchased, compensation for failure to implement the service is awarded pro-rata, based on the number of days of failure, in this case, two days. Therefore, under the terms and conditions C would only be entitled to a refund for those two days and the RPO has already awarded more than C was entitled to. Therefore, C's claim for compensation was rejected.

CASE 12

Incorrectly addressed items

The customer ("C") stated that he posted a jacket but did not address it correctly. The jacket was subsequently lost in transit. C sought for the RPO to pay £75.51, being the replacement value of the jacket and £25.00 for the way in which it handled his complaint. RPO accepted that the item was lost in transit. However, as C had not correctly addressed the jacket it did not accept any liability to pay compensation.

Adjudicator's decision:

C's claims did not succeed.

Reasons:

The loss of the item was not disputed by RPO. However, it is a requirement of the RPO's compensation policy that items be correctly addressed. In the event that an item is incorrectly addressed, the RPO is not liable to provide any compensation. Furthermore, as C's claim for £25.00

compensation for the manner in which the RPO handled his complaint was based solely on it not providing him with compensation for the loss of the incorrectly addressed jacket, in light of the above, the claim did not succeed.

CASE 13

Posting money

The customer ("C") posted £100.00 in cash using one of the RPO's services. The item was lost in transit but the RPO refused to pay any compensation. C sought for the RPO to pay £80.00 as compensation for direct loss.

RPO refused to pay C any compensation on the basis that the service used by C expressly states that it is not appropriate for sending money.

Adjudicator's decision:

C's claim did not succeed.

Reasons:

The loss of the item was not disputed by RPO. However, it is a requirement of the RPO's compensation policy that money is sent using a specific service and compensation is not payable for loss if money is posted using any other service.

CASE 14

Prohibited contents

The customer ('C') submitted that he posted some capital bond vouchers ('the Item') to his sister in Germany using one of the RPO's services. The mail item never reached the recipient address and the C sought compensation to cover the loss of the item.

The RPO accepted that the Item never reached the recipient address however did not offer compensation stating the Item was banned from being sent to Germany.

Adjudicator's Decision

The claim did not succeed.

Reasons

The loss of the item was not disputed by the RPO however under the compensation policy for the service used, the RPO was not liable for compensation as the contents were prohibited from being sent to Germany unless sent using an insured service which the company does not offer.

CASE 15

Proof of delivery

The customer ('C') submitted that he posted a mail item using one of the RPO's services which provides a signature on delivery. The mail item was lost but the company only provided compensation for loss and not for the failure to obtain a signature. The customer was also unhappy with the handling of his complaint and considered that the company had failed to make reasonable adjustments in line with the Equality Act 2010. He sought compensation of £0.95 for direct loss; compensation of £50.00 for complaint handling; an apology; an explanation and; for the company to review its policy in regards to the Act.

The RPO had already provided £20.00 in respect of complaint handling and denied any further liability.

Adjudicator's Decision

The claim succeeded in part.

Reasons

Under the terms and conditions only a postage refund was payable for the loss and this included a refund of the fee for obtaining a signature. The company had provided a postage refund and no further compensation for direct loss was due. In regards to complaint handling, the company had failed to respond to the customer's complaints appropriately on a number of occasions which caused him further stress, anxiety and inconvenience. Although the company had provided a payment of £20.00, further compensation was warranted. An apology was also due for the shortfall in complaint handling. The company had explained its position within its Defence so no further explanation was due. POSTRS has no scope to review the company's internal policies and procedures and therefore the claim for it to review its policy could not be considered. The company was directed to provide the customer with an apology and pay compensation in the sum of £30.00 for the stress, anxiety and inconvenience caused by the manner in which his complaint was handled.

Report from the Independent Reviewer



This is my first report as Independent Complaint Reviewer for POSTRS, which deals with claims against Regulated Postal Service providers. POSTRS is run by IDRS Ltd. I was appointed in June 2012, following the retirement of my predecessor, Ros Gardner.

How I Work

My role is to consider complaints about the level of service provided by POSTRS in cases where the user of a service has made a complaint and remains dissatisfied with the response. I usually see complaints after the claim has been decided on, but occasionally I have to consider a complaint about a live claim or a claim that has not been accepted for investigation.

I do not consider the merits of a decision made by an adjudicator. In other words, I do not serve as an appeal to a decision or award with which someone disagrees. Instead, I consider issues of poor service – such as delay, administrative error, failure to respond or to keep people informed, and rudeness. I can recommend that appropriate action is taken by IDRS, including, where appropriate, financial compensation.

My investigations are primarily paper-based – in other words, I consider the complaint and any supporting evidence provided, I can, and do, contact complainants and IDRS staff to discuss aspects of the complaint where I decide this is appropriate. In addition to writing to the complainant with my findings and decision, I report back to IDRS on issues of concern and suggestions for improvements to procedures and policy.

Case Statistics and Outcomes

This year I have had two complaints about POSTRS referred to me. This is a very small number of complaints and so it is difficult to identify any patterns or trends. Out of a total of about 493 enquiries/claims per year handled by the services, the two in which people complained to me represent a mere 0.4%.

I partially upheld one complaint, and did not uphold the other.

Where I identify service failures I can, if appropriate, recommend that POSTRS apologise to the complainant and/or make a goodwill payment. In the one case I upheld, I recommended an apology and a goodwill payment of £75 for inconvenience and time and trouble.

I also give feedback to POSTRS on lessons learned and I can recommend improvements in practice or procedure. In the case I partially upheld, I recommended that POSTRS should remind all its staff about its procedure for dealing with a factual error in an adjudication decision. I am pleased to say that this recommendation has been completed.

Commentary

It is impossible to draw any overall conclusions on the basis of such a small number of complaints. I can, however, describe the issues that arose in those two cases.

In one case, a minor factual error in an adjudicator's decision was found by the complainant. According to the procedure, the adjudicator should consider the alleged error and, if appropriate, correct the decision and issue an amended version. This did not happen, despite the complainant alerting the service to the error. In my view, the error would not necessarily have changed the outcome, but it was clear the complainant had lost confidence in the decision because of this. The complaint identified the need to remind all staff about the procedure for dealing with an alleged factual error.

There was also evidence of a serious and unexplained delay of seven months in that case. In any busy organisation, it is inevitable that such delays occur, and although this does not excuse delay, where the delay is minor, with no significant impact, I do not uphold the complaint. Where the delay is significant, as it was in this case, I am likely to uphold the complaint.

In the other case I investigated, the complainant alleged that the explanation provided by the service provider in response to the adjudicator's recommendation was inadequate. I did not form a view on the adequacy of the explanation, as that would have been outside of my remit, but I did consider the responsibility of POSTRS in this. I found that the adjudicator had recommended an explanation be provided 'if possible'. One was provided, and although in the complainant's eyes it did not provide sufficient explanation, I concluded that POSTRS could not dictate the content of an explanation, just as it cannot dictate the content of an apology.

I deal with complaints about other organisations as well as IDRS, and I note that this type of complaint is not uncommon. Adjudicators and ombudsmen can require an apology but they cannot dictate what is said in that apology. There is useful guidance available on how to make a meaningful apology, and I would expect adjudicators to be aware of this and, where necessary, inform service providers of best practice. They can help, for instance, by stating in their decisions exactly what failures the service provider is being asked to apologise for.

Also in that case, the complainant alleged that in response to his concern about the explanation, POSTRS adopted an abruptly dismissive tone in a letter to him. I did not agree. In my view it is important for POSTRS to be clear about what it can and cannot do to address a complainant's dissatisfaction, and I believe POSTRS was clear in explaining there was nothing further it could do. It is a disappointment to the complainant, but it is one that rests at the door of the service provider, not POSTRS.

Acknowledgements

I am aware that my decisions will not always sit well with one party to the complaint, and it is inevitable that when I do not uphold a complaint, the complainant may feel disgruntled. I hope, however, that even when I have not upheld a complaint, the complainant feels I have been fair and thorough in considering the issues raised with me. I appreciate feedback I receive from complainants, even those dissatisfied with my decision.

The Independent Complaints Reviewer is included in the POSTRS complaints procedure and flowchart, which is a document downloadable from the website. I believe it would be helpful also to include on the website (not as a download) a description of the Independent Complaint Reviewer role, including my terms of reference, so that both consumers and

service providers can have a clear and realistic expectation of what I can and cannot consider. I look forward to working with POSTRS to implement this change.

I want to thank POSTRS staff for administrative assistance in case referrals, and Gina Shim of IDRS Ltd for her constructive responses to my recommendations.

A handwritten signature in black ink that reads "Margaret Doyle". The signature is written in a cursive, flowing style.

Margaret Doyle
Independent Complaints Reviewer