

# POSTRS

Postal Redress Service

Annual Report 2014



**Independence  
Impartiality  
Integrity**

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# Introduction from the Chief Executive

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I am pleased to present the POSTRS Annual Report covering the period from 1 January 2014 to 31 December 2014.

POSTRS continues to offer a valuable service to consumers and postal providers alike in resolving disputes that arise between them. The service offered by POSTRS provides consumers with an independent and impartial final stage in their complaints against regulated postal providers. Adjudicators appointed by POSTRS weigh up all of the evidence provided by the consumer and provider, and arrive at fair and reasonable decisions which deliver resolutions to otherwise intractable disputes.

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 adjudicators' decisions. We have seen the overall number of cases brought to POSTRS fall in 2014. This indicates that complaint handling standards within the industry have improved, ensuring that disputes are resolved within a postal provider's own complaints procedure without the need to resort to POSTRS.

The POSTRS Council has continued to provide oversight of the way in which POSTRS operates, ensuring it meets its objectives of impartiality and independence.

After many years with IDRS, Gina Shim left the organisation in early 2015. I would like to extend my thanks to Gina on behalf of IDRS for the valuable contributions she made to the success of POSTRS.

The postal industry in the UK has experienced a number of changes in recent years, and further developments in the field of consumer alternative dispute resolution (ADR) are coming in 2015, which will expand and enhance the ADR landscape for consumers Europe-wide. POSTRS, as part of IDRS, will be well represented as the emerging landscape develops.

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

**Dr Karl Mackie CBE**  
**Chief Executive – IDRS Ltd**

# Message from the Chair

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It is my pleasure to introduce the POSTRS Annual Report for 2014.

Complaint handling and access to redress that is independent, fair and impartial is vital - and POSTRS continues to provide an important service for consumers when disputes arise in respect of regulated postal services, and a provider's own complaint procedure has not brought about a resolution.

I am pleased to say that it has been another successful year for POSTRS, with a good performance against all Key Performance Indicators. As the customer satisfaction survey that accompanies this Annual Report shows, it remains difficult to separate the outcome of an adjudication from the overall perception of POSTRS; perhaps unsurprisingly, an outcome not in the consumer's favour seems to lead to lower satisfaction with the ADR experience. POSTRS will continue to explore how best to address this.

The POSTRS Council monitors POSTRS operations to help ensure that the Service is efficient; is meeting performance standards; and is providing a good experience for consumers and for the industry that it serves. The Council also makes sure that POSTRS remains independent and impartial.

There have been some changes to the Council over the last year, with Mel Tomlin and Anne Fletcher of Royal Mail being replaced by Charlie Herbert and Elizabeth Wilks-Wood respectively.

Gina Shim has also recently left IDRS and Tom Earley has taken over her role.

I would like to thank Mel, Anne and Gina for their contribution to the Council and wish them well for the future, as well as welcoming Charlie and Elizabeth. I also extend my thanks to all the Council members and to the POSTRS staff for their excellent work and support during the year. It is much appreciated.

I hope that this Report gives a useful review of POSTRS' operations.

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

**Chris Holland**  
**Chair - POSTRS Council**

# The POSTRS Council

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## *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, and she was Scotland's first Judicial Complaints Reviewer. 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.

## *Tom Earley – IDRS Ltd*

Tom is the Consumer Services Manager at CEDR, with day-to-day oversight of the operation of the consumer redress schemes run by IDRS Ltd. Tom served for five years as an adjudicator across a range of schemes, and more recently as an arbitrator and mediator.

## *Charlie Herbert – Royal Mail Group*

Charlie is the Multichannel Customer Experience Director at Royal Mail responsible for websites & mobile, contact centres, back office processing and claims as well as complaint handling across consumers, business customers and receivers of mail. Charlie's background is in marketing, strategy and customer management roles across many household brands in the UK from British Gas, AA, Travelodge, RAC, Homeserve, Motorola, Goldfish and NatWest.

## *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 Whistl (formerly 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.

## *Elizabeth Wilks-Wood – Royal Mail Group*

Elizabeth joined Royal Mail in October 2012 as a member of the Competition and Regulatory law team. She is a barrister by training, who started her legal career in Oftel (the predecessor to Ofcom) and the European Commission in Brussels. Elizabeth has over 12 years' experience of advising regulated companies both in the UK and abroad. She has worked for both incumbent operators (such as BT) as well as new entrants (including du and Digicel – mobile companies in Dubai and the Caribbean respectively). Elizabeth became the Group Compliance Director at the end of April 2014.

# Report on POSTRS Performance

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## **Key performance indicators**

Key Performance Indicators (KPIs) measure our overall performance. The KPIs below were agreed with the regulator of the postal service industry at the inception of the scheme. These KPIs are monitored by the regulator and by the POSTRS Council, to oversee our performance.

The figures below reflect our KPIs for the period 1 January 2014 to 31 December 2014.

*Table 1*

	Description	Q1	Q2	Q3	Q4	Year 2014	Year 2013	Target
KPI 1	Percentage of calls answered within 2 minutes	100%	100%	100%	100%	100%	100%	95%
KPI 2	Percentage of written correspondence receiving a response within 5 working days	100%	99%	99%	98%	99%	99.5%	100%
KPI 3	Percentage of adjudicators' final decisions issued within 6 weeks of receipt of the application	98%	95%	89%	83%	92%	98.5%	90%
KPI 4	Percentage of adjudicators' final decisions issued more than 8 weeks after receipt of the application and the reasons why	0%	0%	0%	1%	0%	1%	<3%

This year we again met our KPIs for the percentage of calls answered within two minutes (KPI 1) and the percentage of adjudicators' final decisions issued within both six and eight weeks of receipt of the application from the customer (KPIs 3 and 4). Our attainment in relation to KPI 4 has improved from the last reporting period.

The percentage of adjudicators' final decisions issued within six weeks (KPI 3) decreased in 2014, although it remained above the 90% target. This decrease was due to two new adjudicators being admitted to the POSTRS Panel of Adjudicators in 2014, which required a training and mentoring programme to be implemented so as to ensure that their final decisions reached our quality standards prior to being issued.

With 99% of written correspondence responded to within five working days, we narrowly missed KPI 2, with 1% of our total correspondence over the course of the whole year not receiving a response within this timeframe.

### ***Average adjudication timescale***

The table below shows the average number of calendar days it took from the date of receipt of a POSTRS application form to the date on which the adjudicator's final decision was issued.

*Table 2*

Quarter	Number of days
Q1	25
Q2	31
Q3	37
Q4	36

In the year overall, there has been a slight reduction (of almost 2%) in the time it has taken to issue a final decision in a POSTRS case when compared to 2013. However, the time taken increased in the latter part of 2014 due to the additional time required for the mentoring and quality control of two new adjudicators admitted to the POSTRS Panel of Adjudicators.

### ***Customer contact with POSTRS***

The following tables show statistical information about contact with and use of our service during this reporting period.

*Table 3*

Quarter	Total number of contacts made	Contacts concerning Regulated Postal Operators registered with POSTRS	Contacts concerning Postal Operators not registered with POSTRS*
Q1	105	103	2
Q2	85	85	0
Q3	82	81	1
Q4	68	67	1
<b>Totals</b>	340	336	4

The data above shows that almost 99% of enquirers contact us with a complaint about a Regulated Postal Operator that is registered with POSTRS.

\*All Regulated Postal Operators should be registered to an approved Alternative Dispute Resolution (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 or about Postal Operators that are not required to be a member of POSTRS.

### **Initial points of contact with POSTRS**

This table provides an indication of the main issue in dispute that was described to us at the first point of contact. Although a customer may claim more than one issue at the outset, only one category is selected by our administrative team at this stage of the process.

Table 4

Quarter	Total	Customer Service	Damage to mail	Delay to mail	Loss of mail	Other/Undefined
Q1	105	0	3	12	56	34
Q2	85	0	6	5	52	22
Q3	82	3	5	6	27	41
Q4	68	10	3	0	26	29
<b>Totals</b>	340	13	17	23	161	126

Continuing a trend from previous reporting periods, the loss of an item of mail remained the single biggest reason for customers to initially contact POSTRS in 2014. However, the number of enquirers contacting POSTRS about the loss of mail fell during 2014, and in Q3 and Q4 was overtaken by 'Other/Undefined'.

'Other/Undefined' is selected by our administrative team where an enquirer has not specified the nature of their dispute with their postal operator, or where a dispute has been specified which falls outside the scope of what POSTRS can deal with. For example, this option would be selected where an enquirer leaves a voicemail message simply requesting an application pack or information about the scheme, or where a customer's complaint is about a postal product or service that cannot be dealt with by POSTRS.

### ***Enquiries outside the scope of POSTRS***

The next table shows the number of enquiries/contacts POSTRS received that were outside our remit. The categories provided below show the various reasons why we would advise a customer that we are unable to deal with the complaint they have contacted us about.

*Table 5*

Quarter	Total	Non member / unknown company	Over 9 months old	Product outside scope	Business decision
Q1	2	2	0	0	0
Q2	0	0	0	0	0
Q3	5	2	0	2	1
Q4	3	1	0	2	0
<b>Totals</b>	10	5	0	4	1

### ***Applications outside the scope of POSTRS***

The following table shows the number of applications that were found to be outside the scope of POSTRS and the reasons why they were deemed to be outside the remit of what we can deal with during this reporting period.

*Table 6*

Quarter	Total Rejected	Premature	Product out of scope	Over 9 months limit	Not a POSTRS registered company	Business decision*
Q1	49	21	16	9	3	0
Q2	79	44	12	14	9	0
Q3	52	27	12	8	5	0
Q4	45	19	12	9	5	0
<b>Totals</b>	225	111	52	40	22	0

As in previous reporting periods, the most common reason for rejecting an application to POSTRS is because it is premature - that is, the complaint has been brought to POSTRS before the customer has exhausted the Regulated Postal Operator's (RPO) internal complaints procedure.

\*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.

### **Total case numbers**

The following table shows the number of cases received each quarter over the last three years.

*Table 7*

Quarter	Number of cases (total) 2014	Number of cases (total) 2013	Number of cases (total) 2012
Q1	107	138	123
Q2	106	118	141
Q3	101	109	141
Q4	77	96	148
<b>Totals</b>	391	461	553

There has been a 15% decrease in the total number of cases received in 2014 when compared to the previous reporting period. This continues a trend of a reducing number of overall cases in each successive year.

It is likely that the reason for the yearly decrease in cases is due to the increased effectiveness of the internal complaint handling processes of RPOs, which are providing customers with satisfactory resolutions before they reach the end of their internal complaints processes. In addition, the reducing number of cases may be attributed to the change that took place in 2012 by one of the larger users of the scheme which excluded cases where there was no reference to a postal product or service that fell within the scope of POSTRS. This was noted in the previous reporting period.

### **Types of complaints**

The following table shows the principal subject-matter of complaints we received for accepted applications. Customers are requested to categorise their complaint under one core heading, although they are able to raise complaints about more than one issue in their application form.

*Table 8*

	Total	Customer Service	Damage	Delay	Loss of Item	Other/ Undefined
Q1	107	2	20	11	72	2
Q2	106	1	17	14	72	2
Q3	101	1	13	9	73	5
Q4	77	10	8	7	52	0
<b>Totals</b>	391	14	58	41	269	9

The data above indicates that the loss of a mail item remains the most frequently cited complaint type referred to POSTRS, forming the main subject matter of 69% of applications.

### **Adjudication outcomes**

The table below shows that in 18% of all decisions issued by adjudicators in the last year, the adjudicator found wholly or partly in favour of the customer. In the remaining 82% of cases the adjudicator found in favour of the RPO, which represents a nine percentage point increase compared to the previous reporting period.

*Table 9*

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
380	0	70	310

Over previous reporting periods we have seen a gradual decrease in the number of decisions where adjudicators have found in favour either wholly or in part for the customer. This can again be attributed to the increased effectiveness of the RPOs' internal complaints processes, which are offering acceptable resolutions to complaints prior to customers applying to POSTRS.

Please note that the number of applications we accept at the end of each year may not necessarily be equal to the number of decisions made by the adjudicators. This is due to the fact that some applications will be processed within this reporting period but the adjudicator's decision will not be issued until the following year.

# Report on Customer Service Satisfaction Survey

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## ***Introduction***

POSTRS endeavours to provide a high quality service at all times. As part of our commitment we carry out a regular programme of research about customers who make contact with POSTRS. Over 350 customer satisfaction surveys were sent out in 2014, to which we received a total of 121 responses.

The objectives of the customer satisfaction survey are to:

- Provide an ongoing monitor of our users' satisfaction with their experience of POSTRS;
- Identify potential improvements to our users' experience; and
- Provide statistical evidence of satisfaction levels for publication in the Annual Report.

## ***Overview of Findings***

Lower customer satisfaction levels have been reported in 2014, when compared to the previous reporting period. However, 2014 had a higher proportion (82%) of adjudicators' decisions finding wholly in favour of the RPOs. The customer satisfaction findings in this report therefore confirm the finding that has been made in previous reports, namely that a customer's satisfaction with POSTRS is largely dependent upon the outcome of his or her case.

That said, we have received generally positive feedback about the POSTRS website, and the survey responses indicate that there is a proportion of customers who would be willing to use POSTRS again and who would recommend it to others, despite having been unsuccessful in their claims.

## **Overall Satisfaction with POSTRS**

The overall level of satisfaction with the service provided by POSTRS reported by customers has fallen in 2014. In total, 23% of users indicated that they were very satisfied, quite satisfied or neither satisfied nor dissatisfied with the service. In 2013, this figure was 42%.

This follows a trend observed in previous years, whereby the responses that customers provide to this question tend to reflect their satisfaction with the outcome of the adjudicator's decision rather than an assessment limited only to the quality of service provided by POSTRS. It should be noted that in 82% of all decisions issued in this reporting period, the adjudicator found wholly in favour of the RPO. As the proportion of decisions in favour of the RPOs increased by 10% in 2014 when compared with 2013, so the level of customer satisfaction with POSTRS has decreased.

### ***The customer journey***

#### **(i) Initial source of awareness**

The main source of awareness about POSTRS for customers is from the RPO they are in dispute with. A total of 57% of survey respondents reported that they were first made aware of POSTRS from the RPO that they had their complaint with. There has been a significant increase in the number of survey respondents who originally heard about POSTRS via the internet, up to 30% in 2014 compared to less than 10% in 2013. This reflects the growing importance of online access to information for many consumers.

A small proportion (about 13%) of those who responded to the survey stated that they originally heard about POSTRS from agencies or advisory bodies such as Ofcom, Trading Standards and Citizens Advice (previously through Consumer Focus, Consumer Direct), or from a family, friend or colleague.

#### **(ii) Getting in touch with POSTRS**

The most common method of getting in touch with POSTRS in the first instance is by email, with 67% of survey respondents indicating that this is how they first contacted POSTRS. There has been a steady increase each year in the number of contacts we receive by email, this reporting period being the highest to date. Out of those who responded to the survey, 13% stated that they first made contact with POSTRS by telephone and 20% by letter or fax.

The vast majority of survey respondents (90%) initially contacted POSTRS with the purpose of registering a complaint about an RPO.

As has been noted in previous years, the majority of survey respondents (65%) continue to find it either very easy or quite easy to get in touch with POSTRS. Only 9% of respondents stated that they had encountered difficulty in contacting POSTRS.

#### **(iii) Advice received prior to contacting POSTRS**

66% of customers found that it was not necessary to obtain advice from anywhere else before contacting POSTRS. This is a trend that has continued from previous reporting periods. Of the 34% of survey respondents who did receive advice before contacting POSTRS, such advice was provided by Citizens Advice, Trading Standards, friends, family or colleagues, or the company they had a complaint with.

#### **(iv) Feedback on the POSTRS website**

Most customers who responded to the survey had positive feedback about the POSTRS website. 60% of survey respondents stated that they considered it easy to find their way around the website, and reported satisfaction with the website's explanation of the role of POSTRS and its powers. As reported in previous years, customer satisfaction with the usefulness of the case studies contained on the website was less pronounced.

#### ***Perceptions of POSTRS Service Delivery***

##### **(i) Impressions of Service Delivery**

When asked to rate various aspects of their contact with POSTRS, customers were generally satisfied with the different elements of service provided, including the speed of response, friendliness and helpfulness of staff, explanation of POSTRS' powers and the timeliness and comprehensiveness of the information provided. As reported in previous years, there was less positive feedback from customers in relation to the perceived ability of our staff to understand their problem.

##### **(ii) Effectiveness of POSTRS in encouraging settlements**

When asked for their views on the effectiveness of POSTRS in encouraging RPOs to agree to settle disputes, customers generally did not have a positive impression of the role that POSTRS plays. This is consistent with previous years, and is reflected in the fact that only 9% of survey respondents stated that the RPO made them an offer of settlement after they made an application to use POSTRS. It should be borne in mind that whilst POSTRS can encourage RPOs to settle disputes it cannot dictate a settlement and RPOs can choose to allow a complaint go through the complete adjudication process.

##### **(iii) Willingness to use POSTRS again**

A total of 28% of survey respondents stated that they would be willing to use our service again in future, while 22% would recommend POSTRS to others. These statistics can be explained by the high proportion of users (82%) who were unsuccessful in their claims against RPOs. Nonetheless, the statistics indicate that there is a proportion of users who would be willing to use POSTRS again and would recommend it to others, despite having been unsuccessful in their claims.

# Case Studies

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The Case Studies are summaries of cases provided to give some guidance as to how POSTRS works and what kinds of remedies are available. They do not give full details of the 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

### **Loss: Time Limit, Incorrect Address**

Mr A was the intended recipient of a mail item that was not delivered. He did not make a claim immediately as the company kept assuring him the item would still be delivered. When he made a claim the company said it was out of time. It then advised that the item was addressed incorrectly. However, he believes that the clerk erred when recording the address on the postage receipt. He sought compensation of £400.00 for direct loss suffered and £50 compensation for the stress, anxiety and inconvenience caused by the manner in which the postal company handled his complaint.

The postal company denied liability on the basis that the claim was submitted out of time and the item was addressed incorrectly. Further, it stated that the agreed standards had been adhered to at each stage of the complaints process.

### **Adjudicator's decision:**

Mr A's claim succeeded in part.

### **Reasons:**

The customer relied upon the information provided by the company and it was not fair to penalise him for missing the deadline to submit a claim, however the evidence indicated that the item was addressed incorrectly and the customer has not proven otherwise. He therefore was not entitled to compensation for direct loss. The postal company had not dealt with the complaint appropriately at the final stage of its process and was therefore directed to pay £15 compensation for the stress, anxiety and inconvenience caused by the manner in which the complaint was handled.

## Case 2

### **Non-delivery of mail item**

Mr A posted a mail item but the company refused to deliver it and returned it to him. The company stated that Mr A had not used a valid form of postage to send the mail item, which Mr A disputed. He sought £50 compensation for the stress, anxiety and inconvenience caused by the manner in which the postal company handled his complaint, an apology and that the company change its policy.

The postal company denied liability on the basis that the form of postage used was invalid; that the agreed standards had been adhered to at each stage of the complaints process and; that the claim to change its policy was outside the scope of POSTRS.

### **Adjudicator's decision:**

Mr A's claim succeeded in part.

### **Reasons:**

The customer was found to have used a valid form of postage and the company should not have refused delivery. There were no failings in the complaints process other than one for which the company had already paid compensation. The claim to change the company's policy was outside the scope of POSTRS. The postal company was therefore directed to provide an apology for its failure to deliver the mail item in accordance with the terms of its service.

## Case 3

### **Intercepted delivery of Item**

The customer sent perfume to her daughter in Australia. The customer states that as perfume is a prohibited item, it was disposed of and not sent to her daughter.

The customer sought compensation of £79.45 for direct loss suffered and an unspecified action.

The postal company denied liability on the basis that the service was correctly executed and the prohibited item was disposed of as per the terms and conditions of the service. The terms and conditions state that there is no requirement for the company to pay compensation to the customer under these circumstances. It submits that it correctly dealt with the customer's complaints.

### **Adjudicator's decision:**

The customer's claim did not succeed.

### **Reasons:**

The company acted in accordance with the terms and conditions of the service and the company also adhered to its procedure for complaint handling at all times.

## Case 4

### **Consequential loss**

The customer's son purchased a service that diverts mail to an alternative address. The customer submits that the service was correctly executed but a sticker partially obscured the name on the letter and thus it was not diverted to the alternative address. The customer submits that her son was unable to get a job as a result of this incident.

The customer sought compensation of £1000 for direct loss suffered, £50 compensation for the stress, anxiety and inconvenience caused by the manner in which the postal company handled her complaint, and an explanation.

The postal company denied liability on the basis that the service was correctly executed and it was not its fault that the letter was not diverted to the alternative address. Furthermore, the loss claimed was consequential and it stated that the agreed standards had been adhered to at each stage of the escalation process.

### **Adjudicator's decision:**

The customer's claim did not succeed.

### **Reasons:**

The loss suffered by the customer was consequential in nature and not recoverable. The service was executed correctly in accordance to the terms of service. The company also adhered to its procedure for complaint handling at all times.

## Case 5

### **Delay**

Mr A posted an item of mail using one of the postal company's services on 22 October 2013. Under the service, the item should have been delivered on 23 October 2013; the next working day after it was posted, but was not delivered until 24 October 2013; two days later. Mr A sought compensation in the sum of £7.15 for direct loss suffered comprising £1.80 (being the price of stamps used on letters to the company in pursuit of his complaint), and £5.35 (being the amount he would have not had to pay, had he used another of the postal company's services - a service which the customer asserts would also have delivered the item to the recipient on 24 October 2013).

The postal company denied liability on the basis that the customer had failed to submit his claim for a refund of the fee paid within the timescale stipulated in its terms and conditions.

### **Adjudicator's Decision:**

Mr A's claim was unable to succeed.

**Reasons:**

Under the postal company's terms and conditions, where an item arrives later than the due time of delivery, the company is under an obligation to refund the fee paid. However, any claim must be made within 14 days from the date of posting. The customer completed the postal company's claim form on 10 November 2013; 20 days after the date of posting. The adjudicator therefore accepted the postal company's submission that in accordance with its terms and conditions the customer's claim fell outside of timeframe permitted and the customer was not eligible for any refund or compensation for the delay. In respect of the customer's claim in the sum of £1.80 for the cost of stamps used in pursuit of this complaint, the adjudicator found that compensation under the service was limited to a refund of the fee paid. Compensation was not available for time or money spent in the complaints process unless the postal company had breached its complaints handling procedure and the customer had proven such a breach.

**Case 6****Loss and Damage**

Ms A posted an item using a guaranteed delivery service. At the time of posting, Ms A stated that no objections had been raised as to the packaging of the item. Upon delivery, the recipient advised Ms A that the item had sustained damage. Ms A contacted the postal company and was advised that the item had not been packed correctly. Ms A claimed that the postal company did not comply with its published complaints process. Ms A requested compensation for the item and the manner in which the complaint was handled.

The postal company denied liability on the basis that the packaging used was inadequate for the content being posted. The postal company stated that the outer packaging had become torn, with the content being detached.

**Adjudicator's decision:**

Ms A's claim succeeded in part.

**Reasons:**

In view of the evidence provided, the adjudicator was not satisfied that the item in question had been packed using strong enough material to prevent damage during transit. Therefore, this element of the claim was unable to succeed. However, the adjudicator was satisfied that the postal company did not comply with its complaints process as evidenced by Ms A.

**Case 7****Loss and claim not submitted in accordance with timeframe**

Mr A posted a mobile phone using the postal company's guaranteed delivery service. The item was delivered. However, upon delivery the content was missing. Mr A weighed the item at delivery and discovered that the item weighed significantly less than when it was posted. The postal company accepted Mr A's position.

The postal company denied liability on the basis that Mr A did not submit a claim for the missing item within the required timescale in accordance with its terms and conditions.

**Adjudicator's decision:** Mr A's claim did not succeed.

**Reasons:** In view of the evidence provided and the terms and conditions, the adjudicator accepted that the claim had not been brought within the specified timeframes. Therefore the claim was unable to succeed.

**Case 8****Maximum compensation already paid**

Ms H posted a parcel to an address using one of the postal company's services. Mrs H submitted that this was not delivered and sought compensation in the sum of £69.25 for the balance of the direct loss suffered.

The postal company denied liability on the grounds that it had already awarded Ms H the maximum amount available under the terms and conditions of the service.

**Adjudicator's decision:**

Ms H's claim was unable to succeed.

**Reasons:**

The postal company had already issued the maximum amount of compensation for loss under the terms and conditions of the service (comprising a postage refund and compensation for the loss incurred). Therefore the postal company was not liable to pay Ms H £69.25 being the balance of the full cost of the contents and postage.

## Case 9

**Damage**

Mr M posted a vase but it was delivered in a damaged condition. He sought compensation for the loss incurred and £50.00 in compensation for the stress, anxiety and inconvenience caused by the manner in which the postal company handled his complaint, and an explanation.

The postal company denied liability on the grounds that insufficient packaging had been used and it stated that the agreed standards had been adhered to at each stage of the escalation process.

**Adjudicator's decision:**

The claim succeeded in part.

**Reasons:**

There was insufficient evidence that he had packaged the item appropriately in order to protect it from damage and therefore the terms of the service had not been met in order for compensation to be paid. However the postal company had not dealt with the complaint appropriately and was therefore directed to pay £50 compensation for the stress, anxiety and inconvenience caused by the manner in which his complaint was handled. The postal company was not liable to provide any explanation as Mr M had not specified the explanation sought and had already sought to explain its position in the defence.

# Report from the Independent Reviewer

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This is my third report as Independent Complaint Reviewer for POSTRS, which deals with claims against postal service providers and which is managed by the Centre for Effective Dispute Resolution (CEDR). I review the way POSTRS has handled complaints about the service it provides.

## HOW I WORK

I have oversight of the service complaints process overall, which is a two-stage internal complaints process. My role is to audit the service complaints annually and review complaints and responses to those complaints; to feed back to POSTRS my observations and suggestions resulting from my auditing; and to produce an annual report on how service complaints have been handled internally. My annual report goes to the POSTRS Council and is published on the POSTRS website.

Protracted complaints or complaints that raise systemic issues can be escalated to me for investigation. No such complaints about POSTRS were referred to me this year.

## THE COMPLAINTS PROCEDURE

The IDRS service complaints procedure (which covers complaints about POSTRS) is published on the POSTRS website (available at <http://www.postrs.org.uk>). It explains what types of complaints can be considered and the two internal stages at which complaints can be considered. It also explains my role as Independent Reviewer. My Terms of Reference are published on the website.

The procedure for service complaints involves a first-stage response from the Compliance Officer. The timescale for this response is 30 working days. Although this can seem a long time for a complainant to receive a first substantial response to their complaint, I believe it is better that a fully considered response is made rather than one that is less thorough.

If the complainant remains dissatisfied after receiving the Stage 1 response, he or she can request escalation to the senior director at Stage 2. Most complaints are resolved at Stage 1, and only a small proportion are escalated to Stage 2. For protracted complaints or where the complainant requests further consideration, complaints can be considered by the Chief Operating Officer of IDRS and/or by me as Independent Complaints Reviewer. This year no POSTRS complaints were referred to me for consideration.

The complaints procedure is for complaints about the service provided by POSTRS, not for challenges to adjudicator decisions. There is no mechanism for appealing adjudicator decisions, something that I know can be frustrating to complainants. However, where an administrative error by POSTRS means that the decision was made without all the evidence, POSTRS has a mechanism for review by the senior adjudicator.

## CASE STATISTICS AND OUTCOMES

POSTRS receives very few complaints about its service. In 2014 it received four complaints – see the table below. Of these, two complaints were in scope, in full or in part – in other words, two were about some aspect of the service received. (Sometimes a complainant will raise concerns about both the adjudicator decision and the service received, in which case it is coded as ‘in part in scope’.) The other two were out of scope because they were solely about the adjudicator’s decision, which is not within the remit of the service complaints procedure.

### Closed complaints within scope

No. of complaints received	No. out of scope	No. live at time of report	No. considered at Stage 1	No. upheld (in full or part)	No. considered at Stage 2	No. upheld (in full or part)	No. considered at Stage 3	No. upheld (in full or part)	No. escalated to Independent Complaints Reviewer
4	2	0	4	1	1	1	0	n/a	0

This is too few complaints for me to identify any patterns or trends. Out of a total of 394 cases handled by POSTRS in 2014, the four in which people complained represents only 1.02%.

When a complaint is upheld, in full or in part, apologies are offered where appropriate and are specific and genuine. Financial redress is offered, where appropriate, although it is less common. In the one complaint that was upheld (in part) in 2014, a financial remedy of £25 was given.

## COMMENTARY

In my audit, I reviewed all the service complaints made to POSTRS during the year, both those in scope and those out of scope.

The responses to service complaints are thorough and clear and they address the points raised in the complaints. The tone is empathetic and appropriate; indeed this is a strength of the way POSTRS handles service complaints.

I briefly describe the complaints, and any issues arising, below.

A complainant was not satisfied that her problems with her post had been resolved. POSTRS noted that the adjudicator in her case had decided in her favour and that the decision had been complied with and the remedy awarded. The complainant was told she could make a new complaint if the problem persisted. She was not satisfied with this, but the response from POSTRS was unchanged. With any ongoing relationship such as that between a customer and her or his postal service there is a possibility that a problem re-occurs or persists. In my view POSTRS replied appropriately by confirming that she could make a new complaint about any ongoing problem, but that the provider had complied with the decision and therefore no further action could be taken by POSTRS on the original complaint.

In another case, an administrative error by POSTRS meant that the complainant’s acceptance of the adjudication decision was not processed. POSTRS apologised for this and confirmed that the complainant had not suffered any detriment because the adjudicator’s decision did not require any action by the service provider. POSTRS offered £25 in recognition of the error, which was accepted.

In the other two cases, the complainants were dissatisfied with the adjudicator's decision – one because the timescale set by the adjudicator was considered to be too short, and the other because the adjudicator was considered not impartial, although no evidence of bias was provided. POSTRS explained that these related to matters of adjudicator discretion and thus were outside the scope of the service complaints procedure.

### Responses

POSTRS's responses to service complaints are clear and thorough and sensitively written.

The timescale for responding has increased to 30 working days, which I mentioned in my annual report last year. I noted this year that the timescale is not given in the complaint procedure, but from my audit I am reassured that it is given in the email that is sent to acknowledge receipt of a service complaint. I suggested that POSTRS should include the actual date the response is due as well as the timescale in order to avoid confusion.

There was a slight delay in one response but it was not substantial.

### PROGRESS ON LAST YEAR'S RECOMMENDATIONS

I made six recommendations last year related to improvements in practice or procedure. I am pleased to say that all my recommendations from last year have been actioned and are either completed or in progress.

Recommendation	Action
Be clear and specific about timescale for responses. Avoid using vague phrases to explain timescale such as 'in due course'. Where a delay is inevitable, update complainants and provide an apology, explanation and new timescale.	Timescale is given in email acknowledgements of service complaints. No evidence of 'in due course' or similarly vague terms being used.
Establish set criteria for labelling complaints as in or out of scope. Where a complaint is solely about an adjudicator's decision, with no service issues, this would be out of scope; but where a complaint contains an element of service issue, it should be labelled in scope.	No evidence of service complaints being ignored or inappropriately labelled as out of scope.
Publish its procedure for making reasonable adjustments and consider refresher training to focus on being proactive in identifying where it may be appropriate/necessary to make reasonable adjustments even if not specifically requested by a complainant.	Policy and procedure for making reasonable adjustments now published and on the website.
Publish my Terms of Reference and a brief explanation of my role on the CISAS and POSTRS sections of the IDRS website.	My Terms of Reference now published on the website.

### CONCLUSION

In carrying out my audit of service complaints in the year. I consider in particular the quality of the responses, whether all complaint issues are addressed, and whether there are any patterns or trends in the complaints that indicate a systemic problem.

The service complaints process is working well, and POSTRS is responsive to making improvements where recommended. The responses to service complaints at the internal

stages are thoughtful, considered, thorough, clear and timely. I have seen no evidence of systemic problems arising in the service complaints.

### **Recommendation summary**

I have only one recommendation this year – that POSTRS should include, in email acknowledgements of service complaints received, the actual date the response is due as well as the timescale in order to avoid confusion.

### **ACKNOWLEDGEMENTS**

I have had unfettered access to service complaints while undertaking my audit, and I thank the POSTRS staff for their assistance in facilitating this access and their openness. I want to thank in particular Gina Shim and John Munton for their constructive responses to my recommendations and Tom Earley for his openness in discussing responses with me.



**Margaret Doyle**  
***Independent Complaints Reviewer***  
**February 2015**

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