

Response to retail compensation final proposals document

I wish to provide some feedback regarding the recent document *A review of Royal Mail's compensation schemes for loss, damage and delay. Final proposals for consultation – retail compensation. April 2008*

We are a small mail order company and use the Smartstamp service for our mailings and spend somewhere in the region of £7,000 a year on postage. We note in the proposals set out in Appendix 1 Section 6 states that additional compensation will only be paid to cover the intrinsic value of an item if additional evidence can be provided, where the additional evidence includes proof of posting:

<i>Item has intrinsic value (with additional evidence)</i>	<i>Postage refund, plus compensation on basis of the customer's actual loss, This compensation is subject to the maximum payable being the lower of the market value of the item and statutory maximum of 100 x 1st class letter stamp.</i>	<i>Postage refund, plus compensation on basis of the customer's actual loss. This compensation is subject to the maximum payable being the lower of the market value of the item and statutory maximum of 100 x 1st class letter stamp.</i>
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(iv) Claims for items with an intrinsic value should all be made on Royal Mail's current loss and damage claim form. The claim form needs to be signed and dated by the claimant and supported by "additional evidence" (evidence of posting and evidence of value) to corroborate the amount claimed for actual loss. If only basic evidence can be provided then only postage refund or stamps can be considered.

The point we would like to raise is it is virtually impossible to get proof of posting for Smartstamp items. The advice from Royal Mail is to take the items to a local post office where they will provide a receipt for each item. Considering post offices receive no compensation for providing this service and we often post 100 packets a day, so signing for each one would take some time, this option is unworkable. Furthermore we often take our items to the local main sorting office (York) for posting but again Royal Mail provides no option to obtain a receipt for items.

From our experience Royal Mail fail to deliver a significant proportion of our items (between 0.5 and 1.0%) and at the moment we cannot claim back the intrinsic value of any items lost.

We feel as the Smartstamp system produces a unique identifier on every stamp produced, and this identifier is recorded by Royal Mail via the Smartstamp process, this should provide sufficient proof of posting in the absence of Royal Mail providing a workable solution.