

Royal Mail's retail compensation policy for lost items

For items posted before 10th August 2015

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Introduction

Royal Mail recognises that customers should have some redress for inconvenience arising from a failure by Royal Mail to meet quality standards for the conveyance of letters and postal packets. This document sets out the approved policy for managing the Royal Mail's Inland Compensation provisions for retail services for loss.

Royal Mail's retail policy excludes items posted on account (except VAT exempt 1st and 2nd Class payable on account) which are subject to separate terms for loss, damage and delay compensation.

Royal Mail's Retail Compensation Policy for Loss covers the following products:

- 1st class stamped, metered and VAT exempt account mail, including items sent using SmartStamp® and online postage;
- 2nd class stamped, metered and VAT exempt account mail, including items sent using SmartStamp® and online postage;
- 1st and 2nd class Royal Mail Signed for™ mail when used in conjunction with stamped, metered and VAT exempt account products above;
- Articles for the Blind, and
- Royal Mail Special Delivery Guaranteed by 1pm™ (not posted on account)

These services are referred to throughout this policy as 'retail services'.

This policy applies only to items posted with and delivered by Royal Mail. If an item has been posted with or handled by another postal operator then it will not be eligible for compensation for loss from Royal Mail under this policy unless the postal operator has posted the packet using one of the Royal Mail services above, in which case that postal operator will be regarded as the sender of the item for compensation purposes.

Compensation in respect of Condition 9 access mail items is governed by the terms of the [Condition 9 access agreements](#).

Please refer to the Royal Mail United Kingdom Scheme for further information about product terms and conditions and Royal Mail's liability to pay compensation.

Compensation Arrangements

Compensation for loss will not be considered for an item that Royal Mail has not delivered or attempted to deliver until after

- 15 working days for items other than Royal Mail Special Delivery Guaranteed by 1pm™ (not posted on account), or
- 10 working days for Royal Mail Special Delivery Guaranteed by 1pm™ (not posted on account)

have elapsed from the due date of delivery, unless there is evidence to the contrary to demonstrate that the item has not been lost. Where an item is safely delivered after the 15 working days (or 10 working days in the case of Royal Mail Special Delivery Guaranteed™) the customer will be entitled to claim compensation for delay but not for loss.

If an item has been damaged or suffered part loss the customer may be entitled to claim compensation, please refer to the compensation for damage or part loss policy.

Royal Mail expects customers who are posting items that have an intrinsic value to take these to an access point that can provide them with appropriate evidence of posting an item with Royal Mail.

The table below sets out the due date and qualifying days to be used for determining when a mail item may be considered as lost:

Product	Due Date	Compensation for loss payable
1st class- stamp/meter/account (Including Royal Mail Signed For™ sent as 1st class) SmartStamp®, Online Postage, Articles for the Blind	Next working day after posting	15 working days after due date
2nd class- stamp/meter/account (Including Royal Mail Signed For™ sent as 2nd class) SmartStamp®, Online Postage	3 working days after posting	15 working days after due date
Royal Mail Special Delivery Guaranteed by 1pm™ (not posted on account)	On guaranteed date as per product specification	10 working days after due date

Notes:

Working Days –

for Royal Mail Special Delivery Guaranteed by 1pm™ (not posted on account) any day which is not a Saturday, a Sunday or a public holiday, unless Saturday guarantee has been purchased, in which case Saturday is a working day;

- for other retail services any day which is not a Sunday or a public holiday.

Daily Delivery Obligation

- In assessing lateness, Items conveyed to addresses designated by the industry regulator as exempted from a daily delivery obligation will be examined on a case by case basis, taking into account the delivery arrangements.

Compensation Payments for loss

The nature and extent of the compensation to be paid for loss of eligible mail items are set out below. All references to letter stamps are at the basic weight step (up to 100g).

The process to be followed when making a compensation claim can be found at [Compensation Claims Process](#).

Claims for loss must be made within 80 calendar days of the date of posting, or no claim will be entertained. Royal Mail has no legal liability for any loss if at the time of the claim 80 days has expired from the date of posting. Royal Mail advises customers to claim as soon as possible after an event has occurred to enable enquiries to be made promptly.

The sender or the recipient of the item may both claim for a lost item but only one will be paid compensation. If both claim for the same item then Royal Mail will process only the sender's claim unless compensation has already been paid to the recipient. The claimant is required to provide the same evidence regardless of whether they are the sender or recipient.

Royal Mail will contact the claimant with the outcome of their complaint within 30 calendar days (if for any reason we are not in a position to finalise after 30 days Royal Mail will contact the customer with an update).

Table 1 - All retail services other than Royal Mail Special Delivery Guaranteed by 1pm™ (not posted on account)

Item has no intrinsic value	Postage refund (minimum 6 x 1st class letter stamps)
Item has intrinsic value (with basic evidence only)	Postage refund (minimum 6 x 1st class letter stamps)
Item has intrinsic value (with additional evidence)	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 £20 (£50 for Royal Mail Signed For™) Articles for the Blind compensation is on basis of the customer's actual loss and is subject to the maximum payable being the lower of the market value of the item and £46.

Table 2 – Royal Mail Special Delivery Guaranteed by 1pm™ (not posted on account)

All items(with additional evidence)	Fee 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 the maximum level of compensation purchased
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Notes –

1. Where an item is lost or damaged beyond repair then actual loss is the amount it cost the customer to acquire, purchase or manufacture the item subject to condition, age and depreciation. Where an item is damaged it is the cost of repair. No additional payment will be made for the reduced value of the repaired item. If a customer has used one of the services set out in table 1 above, then any claim for compensation for actual loss will be paid up to the market value or the statutory maximum which ever is the smaller amount. Where Royal Mail Special Delivery Guaranteed by 1pm™ has been used then any compensation for actual loss will be paid up to the smaller of market value or the compensation purchased by the sender. Below is an example of actual loss.

Mrs Smith (the end purchaser) bought a pair of jeans from a shop and paid £25 for them. If she posts them on and they go missing she can claim what it cost her to purchase the jeans, i.e. £25.

The Shop (the retailer) that sells the jeans buys them from the manufacturer for £15. If they post them and they go missing they can claim what it cost them to acquire the jeans, i.e. £15.

The Factory (the manufacturer) that supplies the shop makes the jeans for £10. If they post them and they go missing they can claim what the item cost them to manufacture, i.e. £10.

2. When assessing the market value of the content of an item the value of any message must be ignored (e.g. the market value of a cheque is not its face value)

3. All claims must supply as a minimum the following “basic evidence”
the names and addresses of the sender, addressee and claimant,
the Royal Mail product used,
the postage paid and method of postage e.g. stamps, franking impression, SmartStamp®
the place of posting,
the date of posting,
the basis for asserting the posting details and product used (such as date of postmark, certificate of posting (if available) and for Royal Mail Special Delivery Guaranteed by 1pm™ and Royal Mail Signed for™ the product documentation and
a description of the contents.

4. 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. Where postage refund above the value of 1st Class stamps is claimed, evidence of postage paid should be provided, for example product documentation, certificate of posting or receipt.

5. Evidence of posting for a lost item includes:

Original Certificate of posting (provided automatically for Royal Mail Signed for™ items and Royal Mail Special Delivery Guaranteed by 1pm™ (not posted on account) and available on request at Post Office® branches for other items);

Original Horizon certificate of posting;

Original SmartStamp® or on-line postage certificate of posting validated at a Post Office® branch.

For products where a product specific certificate of posting is issued automatically at the point of posting Royal Mail will require the certificate of posting to be submitted if a claim is made. Customers posting items of value using other products are strongly advised to obtain evidence of posting if they wish to be eligible for compensation above the minimum level in the event that Royal Mail loses the item.

6. For claims relating to Royal Mail Special Delivery Guaranteed by 1pm™, Royal Mail will require evidence of the level of compensation purchased shown on the Horizon receipt, product documentation or posting cheque book provided for business collection customers.

7. Evidence of the actual loss must be provided to enable Royal Mail to determine the value of the contents of a packet. Such evidence might be original receipts, bank or credit card statements, details of age, paypal record, invoices, manufacturing costs, auctioneers valuation, and repair costs in the case of damage claims. This list is not exhaustive and is for illustrative purposes only.

8. All documentation provided must be originals not copies. Customers are strongly advised to retain a copy of all original documents submitted in support of a claim.

9. Royal Mail reserves the right to request additional documentation and/or information from the claimant, sender or recipient to protect against unwarranted or duplicate claims. This includes, but is not limited to, a declaration of non-receipt (or proof of non receipt in appropriate cases).

Exclusions

A summary of exclusions where compensation will not be payable for loss is set out below.

Compensation for loss will not be payable:

a. where the claim relates to an item posted with or handled by another postal operator or third party other than when another postal operator or third party has posted the item using a Royal Mail' "1st Class services" or "2nd Class services", in which case that postal operator will be regarded as the sender of the item for compensation purposes,

b. where the loss has not arisen due to any wrongful act done, or any neglect or default committed by an officer, servant or agent of Royal Mail while performing or purporting to perform his functions as such in relation to the receipt, carriage, delivery or other dealing with the item;

c. where the loss has arisen due to the posting or receiving customer's own act or omission; including but not confined to a failure to collect mail held for customer collection, for example using such services as PO Box, Mail Collect and Poste Restante, within the required timescales,

d. where the loss has arisen due to circumstances outside the control of Royal Mail including exceptional severe weather conditions, acts of terrorism and vandalism and acts of third parties with whom Royal Mail has no contractual relationship;

e. where the loss is due to a latent or inherent defect, natural deterioration;

f. where all of the conditions that apply to the service used have not been complied with, including but not confined to;

where an item does not comply with all the provisions set out in the United Kingdom Post Scheme and those provisions relating to specific services detailed in product licences, terms and conditions, application forms and similar product documentation;

where a Royal Mail Special Delivery Guaranteed by 1pm™ (not posted on account) item does not adhere to the terms and conditions for that service;

g. where the item is not fully and correctly addressed in a manner that includes all the elements of the postal address (including the full postcode) written clearly on the front or on a label securely attached to the front of the cover or envelope, or the address is illegible, or the address is not fully visible.

h. where the item is not in a suitable and reasonably strong cover or envelope appropriate to its contents that (with the exception of Articles for the Blind) is sealed or fastened securely;

i. where the item is not packaged in accordance with the requirements of the relevant schemes made under the Postal Services Act, including but not confined to:

where a breakable item has not been packed in a strong container with enough packaging material to protect the item against pressure and knocks, and

where the item has not been marked with the words "FRAGILE HANDLE WITH CARE" in capital letters on the cover or envelope above the address,

where an item that may be damaged by bending is not packed in a strong container that will prevent the item from being bent , and marked with the words "DO NOT BEND" on the cover or envelope above the address;

where a letter contains an item that is likely to perish or decay, the letter is not marked with the word 'PERISHABLE' in capital letters on the cover or envelope above the address;

where restricted items are not packed in accordance with further published packaging requirements;

where the packaging does not comply with any other information published by Royal Mail in paper or electronic form on packing.

j. where the item contains valuables (i.e. money and jewellery) unless posted using an appropriate Royal Mail Special Delivery Guaranteed™ service within the terms of this scheme;

k. where Royal Mail has destroyed, dealt with or disposed of an item at its discretion under any section of the relevant schemes made under section 89 of the Postal Services Act or in accordance with other legislation;

l. where the item is one of the following,
an undeliverable or return to sender item;
an item containing anything prohibited by law or any item listed as prohibited in the relevant United Kingdom Postal Schemes;

m. where an item has been forwarded from the original delivery address stated on the item other than by Royal Mail under its redirection service;

n. where an item has been forwarded or redirected to an address in the Channel Islands or the Isle of Man.

Further details of conditions of posting, including packaging and addressing requirements, and of prohibited and restricted items can be found in our 'Our Services' leaflet available at any Post Office® branch, on the Royal Mail website or in the United Kingdom Post Scheme

Summary of Definitions Used

“actual loss”	Where an item is lost or damaged beyond repair then it is the amount it cost the customer to acquire, purchase or manufacture the item subject to adjustment to take account of condition, age and depreciationWhere an item is damaged it is the cost of repair. No additional payment will be made for the reduced value of the repaired item.
“damage”	If an item in a postal packet has suffered a degree of harm that reasonably impairs the material function or contents of the item,
“evidence of posting”	Includes: Original Certificate of posting (provided automatically for Royal Mail Signed for™ items and Royal Mail Special Delivery Guaranteed by 1pm™ (not posted on account) and available on request at Post Office® branches for other items); Original Horizon certificate of posting; Original SmartStamp® or on-line postage certificate of posting validated at a Post Office® branch;

The item with envelope or packaging, showing the postage paid. (For products where a certificate of posting is automatically provided this will also be required in addition to the item with envelope or packaging.)

“1st Class services” means those services which are listed as Retail 1st Class in the table at Note 1 of the Annex to Condition 4 of the Licence, the Articles for the Blind service and the 1st Class Royal Mail Signed for™ service when used in conjunction with the Retail 1st Class services

“the Licence” means the licence granted to Royal Mail under section 11 of the Act on 23 March 2001 as amended on 1 April 2003, 2 November 2005 and 25 May 2006.

“loss” an item shall be deemed as lost if Royal Mail has not delivered it at the place to which it is addressed by the end of the fifteenth working day (or the tenth working day for Royal Mail Special Delivery Guaranteed by 1pm™ (not posted on account) after its due date of delivery, unless there is evidence to the contrary to demonstrate that the item has not been lost.

“part loss” Where an item is received and some or part of the content is missing.

“postal address” means for any premises the address, including the postcode, maintained by Royal Mail from time to time as corresponding to those premises in the Postcode Address File,

Royal Mail Special Delivery Guaranteed by 1pm™ (not posted on account) means, Royal Mail Special Delivery Guaranteed by 1pm™ other than when sold to users having an account with Royal Mail buying the service using their account, i.e. services listed as Royal Mail Special Delivery Guaranteed by 1pm™ in the table at Note 1 of the Annex to Condition 4 of the Licence

“2nd Class services” means those services which are listed as Retail 2nd Class in the table at Note 1 of the Annex to Condition 4 of the Licence and the 2nd Class Royal Mail Signed for™ service when used in conjunction with the Retail 2nd Class services
