



The Consumer Council

27 July 2017

James Fletcher  
Royal Mail  
100 Victoria Embankment  
London  
EC4Y 0HQ

Dear James

### **Royal Mail Scheme for Franking Letters and Parcels 2014**

The UK Consumer Advocacy bodies are pleased to be able to offer comments on Royal Mail's proposed additions and amendments to the United Kingdom Scheme for Franking Letters and Parcels 2014.

Royal Mail has proposed the following changes:

1. **Correct separation of 1<sup>st</sup> class and 2<sup>nd</sup> class franked items** - Revision of Section 7.4 of Scheme for Franking Letters and Parcels 2014 to emphasise the requirement for customers to correctly separate 1<sup>st</sup> class and 2<sup>nd</sup> class items and the potential impact of failing to do so.
2. **Clarification that the Delivery Confirmation facility applies to franked small and medium-sized parcels** sent 1<sup>st</sup> Class or 2<sup>nd</sup> Class within the UK.
3. **Automation of surcharges for underpayment of postage** to participating meter manufacturers using Royal Mail's Mailmark technology.

### **Correct separation of 1<sup>st</sup> and 2<sup>nd</sup> class franked items**

The Consumer Advocacy Bodies have noted the proposed wording change to the Scheme. We understand the underlying principle that the lower price of franked mail is based on the expectation of correct presentation and

sortation of mail by class and format. However, we feel Royal Mail must demonstrate how they are going to make it easier for consumers to do this? It can be the case that some frank mail users may not always have convenient access to the pouches, labels or sacks necessary to separate and sort mail appropriately and may therefore have their mail delayed or be unfairly surcharged under these new proposals. We would therefore consider that Royal Mail has a responsibility to ensure both a wide spread awareness campaign of these changes to frank mail users and convenient access to pouches, sacks, labels and any other requirements that will assist in their compliance.

The consultation also proposes that in instances where 1<sup>st</sup> Class items are found within a 2<sup>nd</sup> Class mail, all of these items will be treated as 2<sup>nd</sup> Class and delivered accordingly. We note that Royal Mail is unable to refund the difference between the payment franked and the correct amount for the service as the administration cost associated would be generally exceed the amount to be refunded. However, in the case where 2<sup>nd</sup> Class items are incorrectly placed with 1<sup>st</sup> Class mail, all items will be processed as 1<sup>st</sup> Class and this will incur a surcharge. Can Royal Mail provide more detail on the surcharging that will apply? Will the surcharging be per mail item or will there be a generic daily surcharge rate? What will the cost of the surcharge cover and how will this compare to underpaid stamped mail surcharges?

### **Clarification that the Delivery Confirmation facility will be applied to franked small and medium-sized parcels**

We welcome Royal Mail's proposal to include a delivery event confirmation for franked small and medium sized parcels send by First and Second Class. This is particularly welcome by the Consumer Advocacy Bodies, as we were originally concerned that franked and self-stamped mail was excluded from the first roll out phase of the delivery event confirmation, and that this would exclude small businesses and lead to a fragmented approach<sup>1</sup>.

### **Automation of surcharges for underpayment of postage**

The Consumer Advocacy Bodies notes the proposal of automated surcharging with Royal Mail's Mailmark technology. We would encourage

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<sup>1</sup> <http://www.consumercouncil.org.uk/publications/consumer-council-consultation-response-royal-mail-postal-schemes/>

Royal Mail to ensure that the change is communicated effectively with all users, and to this end we welcome plans to undertake prior consumer notification.

Yours sincerely



**Kellin McCloskey**  
**Consumer Council (NI)**



**Anne Pardoe**  
**Citizens Advice**