



Department
for Business
Innovation & Skills



The Consumer Council



Statement of principles for parcel deliveries

July 2014



Preface

The following is designed to assist retailers in their policies on the delivery of goods purchased over the internet by individual consumers by setting out best practice principles as to how retailers can ensure their delivery services meet the needs of their customers.

This document has been developed with reference to:

- Key legal obligations relating to parcel deliveries required of retailers when trading online.
- Work undertaken into parcel delivery practices by organisations such as the Office of Fair Trading, Highland Council Trading Standards, the Society of Chief Officers of Trading Standards in Scotland (SCOTSS), Consumer Futures and Citizens Advice Scotland, highlighting both good practice and issues of concern.

The principles contained in this document may have particular relevance for operators selling to consumers in the Highlands and Islands and other remote, rural and island communities and Northern Ireland.

The use of the statement of principles is voluntary and should be read alongside retailers' legal obligations.¹ The Business Companion website provides guidance for retailers and business support organisations on the regulations that affect the buying and selling of goods over the internet, including delivery aspects <http://www.businesscompanion.info/en/quick-guides/distance-sales/selling-at-a-distance-via-the-internet-phone-etc-from-13-june-2014>. Guidance may also be available from retailers' own local authorities.

The statement of principles is not a code of practice, form of regulation or endorsed kite mark.

¹ A number of regulations set out legal obligations for retailers when trading online. These include the Consumer Contracts (Information, Cancellation and Additional Payments) Regulations 2013 (implemented in June 2014, replacing the Consumer Protection (Distance Selling) Regulations 2000); the Consumer Protection from Unfair Trading Regulations 2008, and the Price Marking Order 2004.

Best practice principles for parcel delivery

This section sets out principles for parcel deliveries that are designed to spread best practice, address current delivery problems experienced by some consumers, and ensure delivery services meet the current and future needs of consumers by building on the minimum requirements of retailers' legal obligations.

A number of illustrative examples are provided at the end of this section. These examples have been provided to assist retailers' understanding of ways in which the principles could be applied in their delivery practices. However, they should not be interpreted as the only way in which retailers can apply the principles or comply with their legal obligations. As such, any retailer's failure to adhere to the principles or practices outlined below would not in itself, without an associated breach of the law being identified, provide a basis upon which a complaint about the retailer made to trading standards would be considered justified.²

Principle 1

Online retailers should ensure that their delivery pricing policies do not discriminate against consumers on the basis of their location. Geographic surcharges should be applied only when these costs are justified by objective criteria, such as actual and unavoidable costs incurred because of the distance. The level of any necessary geographic surcharges applied should reflect the true additional cost of delivery.

Principle 2

Online retailers should ensure that their delivery coverage policies do not discriminate against consumers on the basis of their location. Online retailers should use their best endeavours to provide the widest possible delivery coverage, refusing delivery only when this can be justified by objective criteria. Possible objective criteria may be that the dimension and/or weight of the item fall outside the scope of the universal service obligation.³

Principle 3

At the earliest possible stage in the online buying process, online retailers should ensure that consumers can easily access clear, timely and transparent delivery policy information, including information on any possible necessary geographic surcharges or delivery restrictions that could apply, and the reasons for such variations. Online retailers should provide consumers with transparent information about delivery options before they complete their order.

² The statement of principles should be read in conjunction with retailers' legal obligations.

³ The universal service obligation ensures that packages up to 20kg and meeting minimum and maximum size restrictions can be delivered to all areas of the UK at a standard price. The universal service provider is Royal Mail.

Principle 4

Online retailers, working with their carriers, should consider how delivery options and services could be used to increase the success of first-time delivery, and should endeavour to offer delivery options that are innovative and responsive to the changing market and needs of their consumers.

Principle 5

Online retailers should seek to provide consumers with other relevant delivery information that they hold at the time the order is completed and/or dispatched.

Principle 6

Online retailers should include options for consumers to provide feedback about their delivery experience.

Illustrative examples

Examples: Principle 1

A retailer avoids charging a price for delivery that is disproportionate to the actual cost of delivery.

A retailer uses accurate and up-to-date full postcode and geographical information to ensure that its delivery prices and policies are applied on the narrowest postcode criteria as possible, for example postcode district or local area, rather than postcode area (the first two letters or numbers only). Such an approach could help to address the perception that some charging policies are applied arbitrarily to large geographic areas, rather than being based on actual logistical reasons or delivery costs.

Subject to contract, retailers should consider the potential for offering delivery equivalent to the universal service where the alternative would be that the consumer is faced with a disproportionate cost.

Examples: Principle 2

Subject to contract, retailers should consider the potential for offering delivery equivalent to the universal service where the alternative would be that the consumer is faced with no delivery service at all.

A retailer has a contract with a courier that applies delivery restrictions to particular geographical areas. Subject to the terms of the contract, the retailer puts in place alternative or additional delivery arrangements, such as using a combination of couriers, in order to increase the geographic coverage it can offer.

A retailer's website allows consumers living in remote areas to choose between having an item delivered to their home for a proportionate fee or having it delivered to somewhere less remote which is not their home, and thus avoiding situations where delivery, and therefore fulfilment of the order, is not offered.

Examples: Principle 3

A retailer has a tool on its website where consumers can enter their postcode early on in the shopping process to receive information on whether delivery is available to their area, whether additional delivery costs apply as a result and how long it would take.

A retailer makes its headline delivery options visible and clear by providing an obvious 'Delivery' button on its home page that links to specific information on delivery. This information includes the geographic area covered, whether surcharges apply, free and paid delivery options, and any timed/express and tracked delivery options.

A retailer provides a link to delivery information from product pages so that consumers can clearly see whether any delivery restrictions are in place, and what charges, including additional surcharges, may apply for delivery of the product to their area. This would help to address some consumers' frustration at finding out about delivery charges or restrictions very late in the checkout process.

Illustrative examples

Examples: Principle 4

A retailer provides space for the consumer to provide additional delivery instructions, such as safe place information, and uses that information to increase first time delivery success.

A retailer provides delivery options likely to increase first time delivery success such as allowing consumers to choose a timed delivery slot to suit when they will be at home.

A retailer provides options for redelivery or convenient local collection points if first time delivery fails.

Examples: Principle 5

A retailer clearly signposts their delivery terms and conditions by linking to the delivery terms. These terms and conditions include the policy and process for cancellation and returns, any signature and safe place requirements, how to access tracking information and how to raise a delivery issue or complaint.

A retailer provides its consumers with details of the delivery company that is delivering their parcel when it issues confirmation that the item has been despatched.

Examples: Principle 6

A retailer emails consumers after delivery to ask for feedback on the delivery component of the transaction.

The statutory watchdog for postal services is Citizens Advice and Citizens Advice Scotland in Great Britain, and the Consumer Council in Northern Ireland.

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www.citizensadvice.org.uk
www.adviceguide.org.uk

Citizens Advice is an operating name of The National Association of Citizens Advice Bureaux.
Registered charity number 279057.

BIS/14/973

Citizens Advice Scotland

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www.cas.org.uk

Scottish Association of Citizens Advice Bureaux - Citizens Advice Scotland (Scottish charity SC016637) is a company limited by guarantee no. 89892.

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The Consumer Council was established under The General Consumer Council (Northern Ireland) Order 1984.
