



Post Office News - August 2019

Citizens Advice secures post office improvements for disabled customers

Last year Citizens Advice [published research](#) highlighting issues faced by disabled consumers when accessing services at post offices. Our research showed that accessibility varies across the post office network. Despite some examples of good practice, provision can be patchy. This means disabled people are often unable to access the services they need, or experience pain, distress or embarrassment when doing so. We also found that branch accessibility information was difficult to find on the Post Office website and that it wasn't up to date, making it difficult for disabled consumers to plan their journey.

We asked Post Office Ltd (POL) to regularly visit their branches to monitor accessibility and take action when improvements are needed. We also asked them to update their accessibility information and make it easier to find on their website. We're [pleased to announce](#) that POL agreed with our recommendations and have now implemented these changes. Accessibility information is now updated and easier to find on the Post Office website. POL have also increased support to their branches, and will aim to visit each branch at least twice a year. These visits will include a check on accessibility to ensure any issues are identified and dealt with as soon as possible.

Post Office announces new Chief Executive

POL have [announced](#) that Nick Read will become its new Chief Executive in September. He has held senior positions at several businesses such as Nisa, Tesco, Thomas Cook and Vodafone. He was most recently Chief Executive at Extra Energy.

He will [replace](#) Paula Vennells who has been Chief Executive since 2012. She will be taking up the role of Chair of Imperial College Healthcare NHS Trust after stepping down.

First council run post office opens in Hailsham

Hailsham Town Council has become the [first town council](#) in the UK to operate a post office. After the previous branch closed, the council formed a community interest company and successfully applied to take over the branch. John Harrison, Clerk to Hailsham Town Council, said that the new post office is 'going really well' and said that having a post office is vital to his community as it continues to grow.

Citizens Advice [published](#) research about community run post offices last year. We found that whilst community run post offices deliver significant benefits to local communities, setting up one can be difficult. We published a [guide](#) earlier this year to help community run enterprises with the application process to run a post office.

Government announces timeline to review postmasters pay

The government has [announced](#) a review of postmasters pay and expect to implement any recommendations from the review in the financial year 2020/21. [Initial changes](#) to pay were announced shortly after the review started. Postmasters running 2,500 of the most rural post offices will receive an average pay rise of £900. POL also brought forward a fee rise for post offices processing bank deposits to later this month from October. A full raft of changes are expected to be made in the autumn following the conclusion of the pay review.

This follows the [announcement](#) of the review at the second select committee evidence session on the post office network in June. Concerns were raised about the viability of many post offices run by subpostmasters and the effect post office closures might have on consumer access to services.

Citizens Advice publishes PUDO research

Citizens Advice has [published](#) research looking at pick up and drop off (PUDO) points in Great Britain. We found that PUDO points could help address some of the parcel delivery problems faced by consumers, including reducing the number of failed deliveries and providing convenient alternatives to home

delivery. However, we also found that PUDO points aren't being used to their full potential and many people have either never heard of PUDO points or never been given the option by their retailer to use one.

Over the next year we will seek to address these issues by:

- Improving the promotion of PUDO points for deliveries and returns by online retailers
- Further exploring how to address access issues related to the exclusive relationships between parcel carriers, PUDO operators and retailers
- Improving PUDO point accessibility for disabled consumers

Royal Mail unveils first parcel postboxes following successful trial

Following a [successful trial](#) last year, Royal Mail have [unveiled](#) some of its first parcel postboxes to be installed. They have converted existing meter boxes so that parcels can be posted as well. Consumers will be able to post prepaid parcels and return some parcels using the parcel postboxes.

Mark Street, Head of Campaigns at Royal Mail, hoped that the parcel postboxes will give online sellers 'added flexibility' as they will be able to post parcels outside of post office opening hours.

Parliament debates additional delivery charges in rural Scotland

MPs debated additional delivery charges some consumers in rural Scotland face when ordering items online at a [Westminster Hall debate](#).

MPs raised concerns that the Scottish government has little power to protect consumers against additional delivery charges. They argued that the UK government should intervene either through enforcing existing regulation or introducing new legislation.

MPs also stated that retailers are increasingly using operators other than Royal Mail. They argued that this is increasing the amount consumers are paying in delivery charges. Royal Mail offer a fixed universal price for delivering parcels whereas other parcel operators can charge more to deliver to certain areas, such as rural Scotland. MPs also raised concerns about retailers advertising that

they can deliver products “UK wide” without mentioning extra charges some consumers will have to pay.

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy, Kelly Tolhurst, stated that the government strongly encourages retailers to offer affordable delivery options where possible. She also argued that a competitive market should be a sufficient incentive to reduce delivery charges. She stated that when consumers have the information they need and the ability to shop around, they can avoid paying extra delivery charges. She noted that the Advertising Standards Agency (ASA) and the Competition Market Authority (CMA) have been ensuring that businesses comply with existing legislation.

Consumers value access to postal services

Ofcom have [published findings](#) showing that most people value being able to use the postal service. They also found that over 8 in 10 (84%) people send letters or parcels through the post, however young people were less likely to do so (70%). Separately, the energy provider Utilita [found that](#) post offices were one of the top 20 shops people want to see on their high street.

Citizens Advice publishes its annual report

Citizens Advice has published its [annual report](#) highlighting the work we have done in the last year. This included:

- Agreeing changes with Royal Mail to make the Mail Redirection service more affordable
- Improving accessibility of postal services for disabled consumers
- Mapping access to parcel pick up, drop off (PUDO) points in the UK

In the next year we will continue our advocacy work in the postal sector helping to secure better outcomes for consumers. We [published](#) our work plan earlier this year setting out the projects we will be working on.

Government responds to the Treasury Committee’s Access to Financial Services report

Earlier this year the Treasury Committee [published](#) a report on access to financial services. The committee criticised the general lack of awareness of

banking services at post offices and questioned the appropriateness of post offices carrying out banking transactions. The committee also stated that post offices are providing banking services at a loss and questioned whether taxpayers should be subsidising the lack of 'big 6' bank branches. They also recommended that 'banking hubs' should be established at a post office in towns or rural areas where the 'last bank' has closed.

In [response](#), the government stated that whilst post offices can offer a range of day-to-day banking services they are not set up to offer a full range of services that traditional banks provide. Due to the geographic reach of the post office network, they believe post offices are well placed to ensure basic banking services remain freely available to communities. They stated that the feasibility of any extra services is a commercial decision between banks and POL.

The government also stated that the renegotiated Banking Framework will ensure there is an increase in the fees post offices will receive from banks for processing transactions. They believe the money received by post offices will only grow as banking transactions increase.

The treasury committee's chair, Nicky Morgan, welcomed the increase in fees that post offices will receive. She expressed her disappointment that the Government refuses to ensure banking services are available to communities when the 'last bank' has closed in the area.

Payment Systems Regulator announces call for evidence

The Payments Systems Regulator (PSR) has [launched](#) a call for evidence into cash access, use and acceptance. The PSR want to understand how the use of cash may evolve in future and how cash outlets can meet people's needs. They also want to understand the role of alternatives to ATMs for accessing cash (such as post offices) and what barriers people may face using them.

Citizens Advice is undertaking research into banking services at post offices. As part of this research, we will be looking at how well banking services are delivered by post offices and how consumers find using these services.

Post developments around the world

- **Australia** - Sendle, a small business courier service, have announced plans to undercut the prices charged by Australia Post to send parcels. They also announced that they will have more PUDOs points than post offices by 2020
- **Germany** - Deutsche Post DHL Group have announced over 500 DHL Packstations will be installed at Lidl supermarkets nationwide. Customers will be able to receive and send DHL parcels at the Packstations
- **Japan** - Japan Post Bank are looking to invest overseas due to low yield rates in Japan. Without this investment there is a risk the bank could become insolvent risking the \$1.7 trillion dollars of savings deposited in the bank