

Post Office News - October 2022

More Post Office banking hubs to open

<u>Plans have been announced to open 13 more banking hubs</u> in communities hit hardest by bank branch closures. The hubs provide consumers with access to everyday banking services and private spaces where they can speak to trained specialists from different banks on different days. The latest announcement takes the total number of planned banking hubs to 25. There are currently 2 operating in Rochford and Cambuslang.

Bank closures fueling demand for Post Office banking services

New research by the University of Sheffield and the University of Bristol shows an increasing demand for access to cash deposit services at post offices. Nationally, 800 bank branches have closed between April 2021 and March 2022. This has resulted in a 27% rise in demand for cash deposit services. Jamie Evans, from the University of Bristol's Personal Finance Research Centre, outlined the importance of the Banking Framework and banking hubs "it is imperative schemes like this are supported to continue, as the current pressures on household finance may also mean that some people return to cash to manage their finances, and access to banking services in local communities will remain essential for many people."

In related news, <u>Post Office Limited (POL)</u> reported preparing its branches for a <u>surge in customers depositing paper £20 and £50 banknotes in the last week of September</u>. 30 September was the last day that the Bank of England's paper £20 and £50 banknotes had legal tender status.

DHL joins Post Office to deliver parcels

POL is expanding its click and collect services in partnership with logistics company DHL Express. It is the third contract, following deals with DPD and Amazon, that POL has secured with another parcel carrier since the end of its exclusive agreement with Royal Mail. DHL's services will be trialled at post offices in Northern Ireland before a wider roll out across Britain.

In the meanwhile, <u>DHL Parcel UK confirmed that it will offer its customers the</u> option of collecting their parcels at Quadient smart lockers. Quadient, a French parcel locker technology company, plans to install 500 parcel lockers for DHL Parcel by the end of the year with an additional 5,000 in the coming years. Most of these will be outdoor parcel lockers with 24/7 access.

Recent research shows that the average British household receives 200 parcels each year. Citizens Advice findings show that 83% of people receive at least 1 parcel a month but the majority of online shoppers have experienced a delivery problem. In our response to Ofcom's consultation reviewing postal regulation, we argued that the creation of an open-access PUDO network could help to avoid an estimated 328 million failed first-time deliveries each year.

NFSP reject Post Office Ltd's remuneration package

The latest remuneration survey of sub-postmasters shows that 70% are currently earning less than the National Minimum Wage of £9.50 per hour from income generated by their post offices. In light of this, the National Federation of SubPostmasters has rejected POL's latest remuneration changes. NFSP CEO Calum Greenhow has said that "the offer does not come close to what is needed, and demonstrates a lack of understanding and desire to address the real difficulties postmasters are experiencing today." In response, a spokesperson for POL said "as you would expect, at an operational level there is regular dialogue with the NFSP involving a number of senior members of PO staff... we announced a significant package of remuneration improvements."

Citizens Advice has undertaken research with post office operators to understand the challenges they face and why there has been a significant increase in part-time outreaches and decline in full-time post offices. We're planning to publish the findings this autumn. It follows <u>our report earlier in the year</u> looking at the impacts on consumers from these changes in the network.

Horizon inquiry chair criticises slow progress with payments

Chair of the statutory public inquiry into the Post Office Horizon scandal, <u>former judge Sir Wyn Williams</u>, has criticised the slow progress in making interim <u>payments to victims</u>. He has announced that he will hold a hearing in the next few months, and "if, at the hearing, it becomes apparent... that sufficient progress has not been made... (he will) deliver an interim report containing specific recommendations under s24(3) of the Inquiries Act 2005."

Meanwhile, the <u>new Secretary of State for Business Energy and Industrial Strategy, Jacob Rees-Mogg has committed £100,000 to provide psychological support for victims while investigations are underway. And 2 former sub-postmasters in Northern Ireland convicted of historic fraud-related offences have launched legal bids to clear their names.</u>

Post Office and Payzone win energy top-up contract

POL and Payzone have agreed a long-term contract with energy supplier Utilita. The deal means that customers with a Utilita smart quantum gas or Talexus electricity meter can top up their gas and electricity at any Payzone store or post office branch at 24,000 sites nationwide.

Citizens Advice calls on Ofcom to review post affordability

New figures released in September reveal that 1 in 4 people cut back on sending post to be able to afford essentials — like food or heating. This is a 4 fold increase in 5 years. Additionally, the fees for some postal services, such as redirections are unaffordable for many low-income households. Post should be universal and affordable — yet these latest figures show that's not the case. In its latest think-piece, <u>Citizens Advice has set out 3 reasons why it's time for Ofcom to step up and review post affordability.</u>

Royal Mail stamp guidance

Following the passing of HM Queen Elizabeth II, <u>Royal Mail has confirmed that stamps bearing her image will remain valid to use</u>. Further announcements on stamps will be made after consultation with Buckingham Palace.

Further industrial action announced by the CWU

The Communication Worker's Union (CWU) has announced 19 more days of strike action by postal workers. All workers are due to strike on 13, 20, and 25 October, and 28 November. Different teams and combinations of teams will strike on other dates. This further industrial action comes after re-scheduled strikes took place on Friday 30 September and Saturday 1 October. During previous CWU strike action, Citizens Advice has <u>published advice</u> to consumers on how they can plan ahead and what to do if letters or parcels are delayed.