



Post Office News - March 2020

Citizens Advice calls for post office 'Address & Collect' service for survivors of domestic abuse

Survivors of domestic abuse face significant harm because their post isn't secure and their address is regularly disclosed, according to a [new report](#) from Citizens Advice.

Our latest research finds half of survivors of domestic abuse have their post intercepted by the perpetrator. In addition, 40% of survivors who've left the home have had an agency disclose their new address to the perpetrator.

We found survivors have lost £7.1 billion in the last 10 years as a result of perpetrators intercepting their post. Often survivors miss appointments with essential services, such as hospitals, because perpetrators hide their letters.

1 in 2 survivors who have left the home avoid engaging with a service because they don't want to give out their address. Over 7 in 10 survivors who had their new address disclosed by an agency said their safety was compromised as a result.

Citizens Advice is recommending that the government invests in an 'Address & Collect' service, provided at post offices, to ensure people in unsafe or untraditional living situations have equal access to post. We're also calling on the Information Commissioner's Office to investigate the significant number of data breaches, highlighted by our research, that put survivors of domestic abuse at serious risk.

Lords probe on government Post Office scrutiny role

The extent of government scrutiny over the Post Office was called into question during a [House of Lords debate into the Horizon accounting system](#). The debate follows a £58m settlement at the end of last year, between Post Office Ltd (POL) and hundreds of subpostmasters to end a series of court cases over the Horizon IT system used to manage local post office finances. The allegedly faulty computer system led to some postmasters going bankrupt or being imprisoned.

Peers questioned the way government and civil service managed the relationship with the Post Office, and whether as owners of the company the government has some responsibility for the situation.

Speaking for the government, Lord Callanan said they are committed to working alongside the new CEO of POL, Nick Read, to “implement the necessary cultural and organisational changes highlighted by the litigation.” This is to include new personalised support for postmasters, an overhaul of postmasters training and a further increase to postmaster remuneration.

Responding to a request at Prime Minister’s questions, Boris Johnson has since committed to launching an [independent inquiry](#) into the Horizon IT system problems.

Rural post offices are most ‘wanted’ and ‘essential’

Rural residents say post offices are the second most ‘essential service’ and the service with the second ‘most positive impact’ on the local area, according to the Association of Convenience Store’s (ACS) [latest research](#). Only convenience stores score higher.

Post offices are also in the top 3 ‘most wanted’ services, after banks and specialist food shops. Rural consumers think that the most valuable services offered in their convenience stores are a cash machine (ATM), post office and food-to-go/coffee. The ACS finds 28% of rural convenience stores currently run a post office.

The study supports findings from previous Citizens Advice research, which showed [post offices are embedded in rural life](#). We also found the more rural a community, the more important its post office.

Chancellor urged to legislate to protect access to cash

The Chancellor, Rishi Sunak, is being urged to include measures to protect access to physical money as part of the March budget. Authors of the [Access to Cash Review are calling for extra safeguards](#) to support the UK's cash infrastructure, which has come under severe strain in the last 12 months.

In the past year, 13% of all free to use ATMs have closed and the number of charging ATMs has jumped from 7% to 25%, costing consumers £29m more in fees. More and more shops are going cashless, as bank branch closures make it harder for retailers to deposit their cash.

Last year Barclays announced it was pulling out of the arrangement that allows its customers to take out money at post offices. Following public pressure, the bank reversed the plan, but the Access to Cash panel warns there is no guarantee that the Post Office service "will remain viable" at the end of the current 3-year agreement.

The authors say industry and regulators have largely taken these challenges seriously. But they warn we cannot rely on commercial companies to maintain universal cash access when they face pressures from shareholders to cut costs. The panel says we need legislation now "to put an obligation on banks to provide suitable cash access to their customers".

Separately, it has been reported that around [1 in 5 of the 2,100 Post Office branded ATMs are expected to close](#). Post Office branded ATMs are provided by the Bank of Ireland which is understood to be concerned about declining ATM transaction volumes and cuts to the interchange fees paid by banks to ATM operators.

1st Class stamp prices rise to historic high

Royal Mail will increase the cost of postage from 23 March, with 1st Class stamps rising 6p to 76p and 2nd Class up 4p to 65p. The 2nd Class stamp price is the maximum permitted under an Ofcom price cap designed to ensure a basic, affordable, postal service is available and vulnerable consumers are protected from ongoing price increases. Large Letter and parcel prices will also rise.

Royal Mail says the [price increases are necessary](#) to ensure the sustainability of the one-price-goes-anywhere universal service. The company says it is "operating in a challenging business environment" and is likely to be loss making in the next financial year.

The increase means 1st Class stamp prices have reached an historic high. In 1897 [prices](#) were 1d (35p today), and [rose](#) to the equivalent of 40p between 1965 and the early 1990s. Since 2010 the price of a stamp has been rising in real terms.

Royal Mail says its stamp prices are “amongst the best value in Europe” and its own research showed the European average price for 1st Class letters is £1.05. These findings are supported by the German postal operator’s ([Deutsche Post](#)) [research](#) which also confirms rising letter prices throughout Europe in recent years.

Royal Mail pushes for business transformation

In an attempt to drive forward its transformation plan and avert a further threat of strikes, Royal Mail has put forward a [3 year pay deal](#) to the Communication Workers Union (CWU). This includes a 6% 3-year pay deal for CWU-grade staff.

Royal Mail wants to invest £1.8 billion to turnaround and grow its UK business. This will include the further automation of parcels, the majority of which are currently hand sorted.

Royal Mail wishes to introduce a second van delivery in most parts of the country. But with an expected letter volume decline of 75% between 2004 and 2024, the company plans to reduce the number of daily ‘walks’ from around 58,000 to 50,000.

The [CWU responded](#) that it would like Royal Mail to stop “moving ahead with unagreed changes and [sit] down seriously with the union”. The CWU is [reballoting](#) Royal Mail workers for a [possible strike](#) over alleged management bullying and Royal Mail backing down on a previous agreement.

Growing evidence of problems in parcel delivery market

A [new study](#) shows 1 in 5 online shoppers regularly miss home deliveries. Younger age groups are most frustrated by this problem, according to the new YouGov consumer study for parcel locker provider InPost. The research finds 32% of 18-24 year olds and 37% of 25-34 year olds regularly miss home deliveries. InPost’s CEO, Jason Tavaria, said: “It is no secret that the UK delivery market is at breaking point with 9.5 million parcels sent across the country each day.”

The study supports [Citizens Advice research](#) published in December, which found that the majority of online shoppers had experienced a problem in the

last year. The most common delivery problems uncovered by Citizens Advice include receiving a 'sorry you were out' slip when at home, parcels arriving late and having to stay home. Citizens Advice is calling for the Competition and Markets Authority to investigate the parcel delivery market.

For further discussion on the parcel delivery market, listen to the [Postal Hub Podcast](#) with Tim Harrison, Senior Policy Researcher, Citizens Advice.