



Post Office News - September 2019

Post Office ranks top as 'most essential' local service

Post offices are the most important community services, according to the Association of Convenience Stores (ACS) [Community Barometer survey](#). The research found consumers, MPs and councillors rank post offices higher than convenience stores (2nd), pharmacies (3rd) and banks (4th).

In particular, post offices scored for having the most positive impact on the local area, and as the most essential service in the local area. MPs and councillors also rate post offices very highly for their role in reducing loneliness. In addition, the ACS finds post offices are amongst the top services people want more of, alongside specialist food shops and banks.

James Lowman, ACS chief executive, emphasised the social hub role for community shops, especially for those who are vulnerable or less able to travel. He added that 'UK consumers are also sending a clear message that post offices are still as important as ever'.

Post Office access to cash for UK holidaymakers

More than half of people (57%) have struggled to find a bank or ATM when taking a staycation in the UK. A [new study from Post Office Ltd](#) (POL) also reveals 53% of people had visited a retailer which only accepted cash payments in the last year.

The research found problems accessing cash led to 27% on staycations being unable to buy small gifts or souvenirs from cash only retailers, and a further 26% unable to use chosen eateries. More than 2 in 5 (21%) also said they had travel problems because of lack of easy access to cash, including missed buses and not being able to pay for car park tickets.

POL says that more and more people are relying on the Post Office to offer easy access to their bank accounts. Their survey also shows that in the last year more than a quarter of people (28%) have withdrawn cash at a post office.

Citizens Advice is currently undertaking research into Post Office banking. For further details contact annabel.barnett@citizensadvice.org.uk.

Agreement facilitates government ID service provision at POs

POL has joined the government's digital framework which streamlines the procurement process for any government department seeking to work with the Post Office. This agreement enables the Post Office to supply government services without having to go through lengthy full tendering processes.

As part of the government's digital marketplace, [GCloud 11](#), POL offers 3 [identity services](#) to all government departments and agencies. These are:

- Digital identity - enabling users to prove who they are and share verified data and documents straight from their device. Helping users to create a reusable identity that can be shared across a range of sectors including government, financial services, health, welfare, travel and age verification
- In-branch verification - providing support for customers who need face to face identity verification
- Document certification - certifying copies of original documents, stating they are a true likeness to the original. Includes common forms of ID such as passports, driving licences, utility bills, bank statements

[POL says](#) these 'bricks and clicks' identity services will help consumers to prove who they are in 'an easy and inclusive manner', removing barriers that impede access to key services such as Universal Credit and passport applications.

Post Office in talks over Bank of Ireland deal

The Post Office and Bank of Ireland are in [talks to renegotiate](#) their current contract, according to media reports. This could [cost POL more](#) in fees.

The retail banking partnership between the 2 companies has been in place since 2004, providing the majority of Post Office branded financial services including savings accounts, mortgages, personal and credit cards. The Bank of Ireland also provides the Post Office's 2,500 free-to-use cash machines.

Since 2012 POL has been responsible for product sales and marketing, with the Bank of Ireland developing and delivering the products. These agreements were

intended to remain in place until 2023. However, the relationship between POL and the Bank of Ireland has long been controversial. For example, a [Cass Business School](#) report in 2017 argues the Bank of Ireland lacks the ability to invest substantially in the Post Office.

DHL partnership with PayPoint expands parcel pick up points

DHL is [expanding](#) its parcel collection, sending and returns service through a new alliance with PayPoint. DHL Parcel ServicePoints will be available at 500 locations across the UK, and the service is expected to expand to a further 3,000 independent PayPoint retailers by the end of the year.

In a second phase of the new partnership, DHL Parcel will launch an over the counter 'send' service, allowing consumers to order and pay for deliveries online and drop off parcels at their local PayPoint store.

[Research by Citizens Advice](#) finds that despite the availability and benefits of Parcel Pick Up and Drop Off points (PUDOs), they are not widely used. Only 1 in 6 (16%) online shoppers has collected a parcel from a PUDO point in a convenience store. Over the next year, we will be working to raise awareness and seeking to address the barriers to consumer use of PUDOs.

Post developments around the world

- **Ireland** - Postmasters have said they are concerned over the government's plans to [tender the contract for TV licence renewal](#), warning that hundreds of post offices could be placed at risk if the contract is lost.
- **Finland** - Posti has [simplified its letter postage rates](#) for cash-paid domestic items. Letters are now divided into 4 weight classes, instead of the 6 classes used previously. Posti explains this simplification is needed because stamps are increasingly bought in sales points other than Posti's shops, such as grocery stores, kiosks or online.
- **Australia** - Following a decline in letter revenues, [Australia Post](#) warns an increase in the basic postage rate is needed to avoid community post office closures. However, Australia Post also reports rising parcel revenue and increased post office banking - describing the transformation from 'a letter business to a growing delivery and services organisation'.
- **Japan** - The government has decided to [end Saturday delivery](#) for standard mail to deal with a labour shortage at Japan Post and a drop in demand. Saturday delivery for parcels is to be maintained, along with that for express and registered mail. The government also proposes to end next day delivery for standard mail.