



Post Office News - December 2017

Rural post offices - vital for residents and businesses

Following the publication of new [evidence](#) about how people use post offices in rural areas, Citizens Advice is [calling](#) on government to publish its consultation response and commit appropriate funding for the next 3 years to ensure rural post offices remain open.

The research, based on a survey of over 800 rural residents and 250 small businesses, finds post offices remain at the heart of rural communities. It finds those in rural areas use post offices significantly more than in urban areas:

- Rural residents make most use of mail services including buying stamps (72%) and sending parcels (65%)
- Post offices in rural areas are used more for cash withdrawals (24% of rural consumers, 19% in urban areas)
- 7 in 10 rural consumers buy essential items like groceries and food at post offices
- 1 in 5 rural customers say they would lose contact with neighbours or friends without their post office
- 71% of rural small businesses say that without their local post office, their costs would rise
- The more rural a community, the more important its post office (6 in 10 remote rural residents say it is 'very' or 'extremely' important to them)

The study also finds that the proportion of people in rural areas visiting post offices weekly has dropped from 56% in 2005 to 31% today. But some services, such as sending parcels and withdrawing cash from bank accounts, are becoming more [important](#).

Public awareness of Post Office banking services to be raised

November's Budget included a government commitment to raise public awareness of banking services available at the post offices, both for individuals and small businesses.

Following an industry-wide agreement in January this year, 99% of UK personal bank customers and 75% of business customers can now do their day-to-day banking at post offices. However, polling for Citizens Advice in March found only 56% of British adults knew they could access their bank account at a post office counter.

Citizens Advice has been calling for stronger measures to raise awareness of Post Office banking, and we will be looking to work with partners to do this in the months ahead.

Ofcom reports on the postal market

The regulator's annual monitoring update on the postal market reports the number of letters sent has fallen by 5%, whilst parcel volumes have risen by 7%. But most residential consumers say there is no change in how often they send post compared with 2 years ago.

The majority of residential consumers are satisfied with postal services overall (86%), and 84% are satisfied with Royal Mail. Consumers rate guaranteed delivery, low cost and uniform pricing across the UK as the most important factors when sending letters. When sending parcels, guaranteed delivery and proof of despatch/delivery are rated as most important.

The numbers of Royal Mail complaints continue to rise (up 3% from last year), including more complaints about damage. Loss and denial of receipt are the most common reasons for complaint.

Research finds not redirecting mail can cause serious problems

New Citizens Advice research finds almost 1 in 5 (19%) people have problems with their mail when moving house. This was higher amongst particular groups, including disabled people and those on benefits. It often leads to further complications, such as asking for important post to be redelivered or being late in paying a bill. A small number of people said they had their identity or money stolen (2%), but this was higher among younger and disabled people.

Royal Mail's [redirection](#) service is available through post offices, as well as [online](#). But only a third (34%) of people who moved house in the last 2 years used the service. Most people said they had no need to use it, but over 1 in 5 (21%) said they had not used it because of the cost (£33.99 for 3 months and £66.99 for 12 months).

Citizens Advice will be looking further at whether the cost of the service prevents particular groups of consumers from using it. We will also examine how easy it is for people to update their address with essential service providers. Contact ceri.beynon-davies@citizensadvice.org.uk for more details.

Post developments around the world

- **Ireland** - following claims that 1 in 3 post offices were at risk of closure, the Irish government has [announced](#) a €30m loan to the network. A key part of this funding will be used to keep rural post offices open. In addition, An Post will be split into 2 business units - An Post Mails and An Post Retail.
- **Isle of Man** - the Isle of Man Post Office has [warned](#) its £1.5m loss in the last financial year is not sustainable. Transactions have fallen by an average of 7%. The Isle of Man Post Office is drawing up a 5 year strategy to ensure its long-term viability.
- **Finland and the Baltics** - Finland's Posti has [announced](#) that it will open 1,000 new parcel lockers next year. Posti already has 500 lockers and says the lockers will support the growth of e-commerce. [New](#) parcel terminals are also being installed in the Baltic states of Estonia, Latvia and Lithuania.

More on Citizens Advice post policy work

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