



Post Office News - March 2018

MPs highlight Post Office banking role

Concerns about local bank closures continue to be raised in parliament, with the Post Office repeatedly cited as a major part of the solution. In a Commons [debate](#) MPs expressed particular fears about the impact of bank branch closures on older people, vulnerable people and small businesses. The problem is especially acute in rural and less affluent areas which have seen a disproportionate number of bank closures.

Many MPs highlighted the importance of maintaining the post office network if post offices are to become local banking hubs. But there were also questions about the suitability of some post office premises for banking due queues, lack of space, privacy, service quality and the range of services offered.

MPs agreed that public awareness of Post Office banking services needs to be raised. Responding for the government, John Glen MP said the Post Office and UK Finance must agree specific actions and a timeline for improving public awareness of Post Office banking services.

Access to banking services, including access through the post office network, was also the subject of a 10 minute rule [motion](#) introduced by Ben Lake MP on 27 February.

New parcel shop services

Competition among alternative parcel operators is intense and parcel delivery companies and parcel shops continue to announce new initiatives.

myHermes has [announced](#) a price reduction of 19% for 5-10kg parcels at its 4,500 parcel shops. myHermes also says that it is [simplifying](#) pricing, so customers no longer need to measure parcels, as long as they don't exceed

the maximum dimensions.

CollectPlus [says](#) it hopes to offer services with other parcel delivery operators. Currently the company only offers Yodel parcel collect, return and sending services through 7,000 parcel shops. But recently CollectPlus has reported experiencing declining parcel volumes, and hopes to offset this with the addition of new couriers to the business.

Meanwhile Post and Packing has opened an 8th branch. The [company](#) which describes itself as an 'independent post office', offers postal services via Royal Mail, Fedex, DPD and UPS. It also rents PO boxes and provides fulfilment services for companies.

Citizens Advice has been conducting research into parcel shop service provision - mapping parcel sending, collection and return locations or pick up and drop off (PUDO) points. We will publish the results of this landmark research shortly.

Royal Mail price rises

Royal Mail has [announced](#) it will be raising the cost of 1st and 2nd class letter stamps by 2p - to 67p and 58p respectively - from 26 March. However, most of the Large Letter, Small Parcel and Medium Parcel [prices](#) remain the same. The company says the changes are necessary to ensure the sustainability of the service.

Stamp purchases and sending standard 1st and 2nd class mail are the most commonly used transactions at post offices. Citizens Advice [research](#) shows that despite the recent drop in letter volumes, 71% of all consumers buy stamps or pay for letter post at a post office.

Royal Mail develops new parcel tracking features

Whilst letter services are a declining part of the postal sector, parcel volumes continue to increase. Royal Mail [reports](#) a 6% rise in parcel deliveries during 2017's peak season, and a 31% hike in use of tracked services.

New parcel tracking service features will enable Royal Mail to capture the address and name of the person who accepts a parcel, which will assist when parcels are delivered to neighbours in multi-occupancy dwellings. From May Royal Mail hopes to be able to make photographs of deliveries available to customers. And at the end of the year the company plans to look at offering 'inflight' options for customers if they are not at home.

Citizens Advice [research](#) suggests that encouraging the use of tracking technology could help reduce the numbers of failed deliveries and prevent lost and delayed packages.

Cross-border online shopping rises

A new [study](#) indicates UK shoppers are now happy to buy cross-border from international retailers. The research shows 61% of UK online shoppers buy internationally. Top considerations for consumers purchasing from a retailer outside their home countries are secure payment methods, clear information on returns and all prices being stated in the shopper's home currency.

Recent Royal Mail [research](#) finds that 30% of UK SME online retailers do not export goods. However 2 in 3 (64%) aim to increase international sales over the next year.

New EU [rules](#) may further increase cross-border shopping, as these are designed to reduce excessive costs and increase choice for consumers and small businesses. Larger businesses will be required to report on their prices and delivery options. The European Commission will also be setting up a website where consumers and businesses can compare parcel delivery tariffs across Europe.

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