

Post Office News - December 2018

Citizens Advice agrees disability access improvements with Post Office

Post offices are particularly valued and used by disabled people. Almost 3 in 10 disabled people say they use a post office at least once a week, compared with just over 2 in 10 non-disabled people.

Citizens Advice asked disabled consumers to visit post offices and report on their experience. In our <u>newly published report</u>, we show that accessibility varies across the post office network. Despite some examples of good practice, such as staff interaction, provision can often be inconsistent. For example, in 44% of visits, shoppers with compatible hearing aids were not able to use a hearing loop.

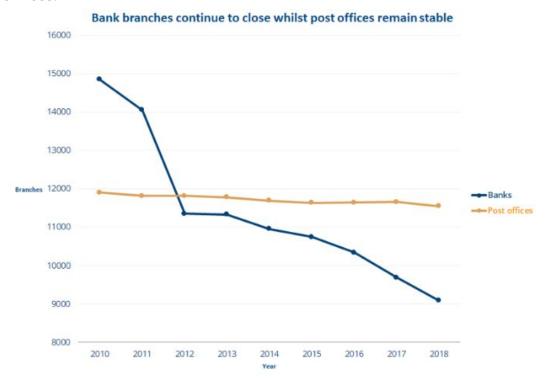
We also found that whilst information on the accessibility of branches is important for disabled consumers, Post Office Ltd (POL) was not providing this on its main online branch finder.

Citizens Advice shared the findings with POL and recommended the company should i) introduce an audit process to check the accessibility of post office branches and ii) embed accessibility information into the main branch finder. Since presenting our findings, POL has committed to monitoring the accessibility of its branches and now provides accessibility information on the online <u>branch</u> finder.

Calls for more scrutiny on post office banking

A new <u>blog</u> from Citizens Advice welcomes the expansion of banking services at post offices. But we also say the government needs to find out if the Post Office is providing a quality service and what people want from it. Our research shows the service is particularly valuable to vulnerable consumers and in rural areas,

but many people aren't aware or simply don't use it. Citizens Advice <u>mystery</u> <u>shopping research</u> has raised concerns about the quality of Post Office banking services.



Recent <u>findings from Which?</u> highlight the importance of Post Office banking in the context of wholesale bank closures that have left 1 in 5 people more than 3km from the nearest bank branch. Whilst Which? found good satisfaction ratings from people who had used Post Office banking, some consumers expressed concerns over long queues, privacy and staff expertise.

MPs continue to raise issues around Post Office banking services. At an oral evidence session, the Treasury Select Committee access to financial services inquiry asked about the funding of Post Office banking. The committee queried what happens to the service if a local post office is not viable and wants to close. A new Private Members' Bill has been introduced to strengthen the provision of Post Office banking services in rural communities, improving services offered to small businesses and increasing banking remuneration for post office operators.

Mobile-only Starling Bank to offer services at post offices

Starling Bank has <u>announced</u> that it has become the first 'mobile-only' bank to offer banking services through post offices. The bank will allow its current and business account customers to deposit and withdraw cash at local post offices.

Starling Bank said it was <u>responding to customer needs</u>, and that its customers still want to pay in cash and take money out. The bank said the move would especially benefit retail businesses, who are very heavy cash users.

Separately, rival digital bank <u>Monzo</u> has announced a partnership with PayPoint. For a £1 fee, account holders can now deposit cash into their Monzo account at any of PayPoint's 28,000 outlets.

MPs query impact of franchising Crown post offices

Following the announcement that Post Office Ltd (POL) is to franchise 74 Crown post offices to WH Smith, MPs have expressed a <u>range of concerns</u>. Issues raised include the suitability of WH Smith, access and parking, first floor locations, the range of services transferring and the public consultation process.

Postal services minister, Kelly Tolhurst, stressed that franchising is 'about moving a branch to a lower-cost model, while continuing to offer high-quality service, more convenient hours and better locations'. The Minister also highlighted the <u>role of Citizens Advice</u> in local consultations on post office relocations.

By the end of November, 19 off-site franchises - where post offices are due to relocate - will be undergoing public consultation. In addition, a period of public engagement will be completed for 27 post offices due to be franchised on their existing site. See the Citizens Advice blog for further details on how the Post Office informs customers of local branch changes.

Post Office digital ID services shake-up

The government is to <u>end investment</u> in its Gov.uk Verify programme within 18 months, transferring it to the private sector. The <u>Verify service</u> is used to prove who you are online, making it easy to access government services such as checking Income Tax or applying for Universal Credit. The Post Office was the main provider of the initial identity check users undertook to set up their identity account. Following the government's decision, the Post Office is now <u>free to reuse</u> its identity checking services in the private sector.

The Post Office has launched a new <u>Digital Passport Check and Send</u> service for renewing passports. The digital service will be available at 725 post offices, and includes assistance with making the digital application, a digital photograph taken in branch, application checking and sending old passports back to the Passport Office. Consumers can still also use the paper application Check and Send service.

The digital passport service has been introduced in response to the government's decision to charge more for paper-based applications to encourage online applications, which cost less for the Passport Office to process.

The Post Office says it is also looking at how to enable the customer to receive this data themselves and put it into a <u>reusable digital identity</u>. For example reusing the digital image captured for passports, for a bus or train pass.

Ofcom reports on postal market

Letter volumes have declined by 5% and parcel volumes are up by 11% over the last year, according to the regulator's latest <u>annual report on postal trends</u>.

Ofcom research shows that residential consumers and small businesses are generally sending post less often than they did 2 years ago. There are significant drops in the use of post for bill payment (-33%), personal letters (-31%), cards (-26%) and formal letters (-25%). However, consumers are receiving more small (+13%) and large (+9%) parcels.

The majority, 87%, of consumers are satisfied with postal services overall. But people are less satisfied with the cost of postage, levels of innovation, and access to information (eg about complaints procedures).

The regulator also reports on Royal Mail's financial performance. Ofcom says the <u>universal postal service</u> (6-day-a-week delivery at geographically uniform prices) is financially sustainable in the immediate future. Although the regulator warns that the universal service's longer term sustainability depends on Royal Mail's ability to grow parcels' revenues and/or remove costs from the business.

Scottish government plan to tackle unfair delivery charges

The Scottish government has <u>launched</u> an <u>action plan</u> to tackle unfair delivery charges. This includes a proposal to map the worst affected areas, and to improve the accuracy of postcode classification tools to stop accessible locations being mistakenly categorised as rural or remote.

The plan follows follows Citizens Advice Scotland research, which found a 'postcode penalty', with some Scots having to pay an average of nearly £19 extra when buying goods online. The problem does not just affect remote rural and island areas, but individuals and businesses with postcodes across Scotland.

Separately a <u>new service</u> is now available, charging a flat fee for parcel delivery in the Scottish Highlands and Islands. Menzies' Highland Parcels service <u>enables consumers</u> to order parcels using the company's central belt address for delivery, and Menzies delivers on to local depots for the £4.99 fee. MSP Richard Lochhead <u>urged other couriers</u> to follow Menzies' example.