

Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
11 Downing Street
London
SW1A 2AB

CC: Paul Scully MP, Parliamentary Under-Secretary (Department for Business, Energy and Industrial Strategy), and Minister for London

12 October 2021

Dear Chancellor,

Securing the Future of Rural Post Offices

We are writing to urge you to continue to support rural post offices at the upcoming Spending Review. Post offices play a vital role in rural areas providing crucial access to essential services for towns and villages across the UK. For many people in these locations, their post office is the only remaining physical outlet following bank closures and the loss of other services such as libraries and pubs.

For many post offices across the UK, it is only possible to provide a service due to the subsidy the government currently provides. The subsidy supports approximately 4,000 branches including around 3,000 rural 'last shop in the village' community post offices.

New Citizens Advice research shows that people in vulnerable circumstances, including those living in rural areas, rely heavily on post offices to access essential services. Nearly 1 in 5 (18%) people among the general population use post offices weekly. In rural areas, this increases to 3 in 10 (30%) people with longstanding health conditions or disabilities and over 1 in 4 (27%) people aged over 65.

People in vulnerable circumstances are particularly reliant on post offices as bill payment and government services move online and bank branches continue to close. Citizens Advice research shows that the number of people using banking services at post offices doubled in the 3 years to 2020. 1 in 4 people (25%) have now used Post Office banking, most often people living in rural areas and those in vulnerable circumstances. Cuts to the subsidy would undermine rural post offices' ability to provide this and leave even more people without access to essential banking services.

Compelling evidence from the Consumer Council demonstrates the value of rural post offices across Northern Ireland. Nearly 2 in 3 (65%) post offices are located in rural communities. These branches provide vital access to banking services especially as 34 bank branches, many located in rural areas, have closed in the last 18 months in Northern Ireland. This underlines the need to protect the rural post office network. Post offices are regularly cited as the main alternative when banks close.



Citizens Advice research also shows the importance of Post Office banking to small businesses. 1 in 5 (20%) have used a post office for banking, and do so more frequently than the general population. Small businesses, including those in rural areas, also rely on the network for parcels services. During the pandemic, this has helped many businesses that have reduced their physical presence or moved completely online.

But it is perhaps their role in local communities where rural post offices provide the most value and return on investment. They are places where people can meet friends and local residents, helping to prevent loneliness and isolation and to get information, or help. This is particularly important for people in vulnerable circumstances. The pandemic has brought the needs of these people to the fore. As we recover from the pandemic, post offices will play an important role in connecting communities and providing equal access to public services, especially for those who are digitally excluded.

Without the subsidy, many rural post offices face an uncertain future. This risks eroding the social fabric of many rural communities which post offices help to support. New Citizens Advice evidence shows the emotional, social, and financial impacts of post office closures on rural communities. For people in vulnerable circumstances, it can mean losing their independence and increased isolation. For those who haven't experienced a recent post office closure, 1 in 2 (50%) would be negatively affected if a nearby branch closed in the next year. This includes nearly 1 in 4 (24%) who would feel more isolated and disconnected from family, friends, local residents, or their community, increasing to almost 1 in 3 (32%) people aged over 65.

If we want the post office network to continue to make a vital contribution to our economy and society in rural areas it needs the certainty of government support. Therefore, at the upcoming Spending Review, we strongly urge you to continue to support rural post offices.

Yours sincerely,

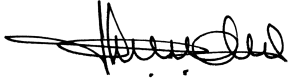


Dame Clare Moriarty
Chief Executive, Citizens Advice

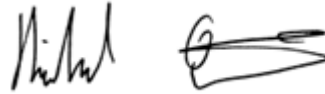


Derek Mitchell
Chief Executive, Citizens Advice Scotland.

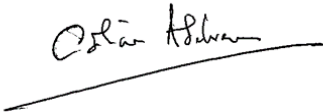




Noyona Chundur
Chief Executive, Consumer Council



Richard Quallington
Executive Director,
Action with Communities in Rural England



Caroline Abrahams
Director, Age UK

