

MARCH 2025

Consumer Scotland: Post and low-income rural consumers

Final report

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Executive summary

Research background and methodology

In January 2024, Ofcom put out a call for evidence on the future of the Universal Postal Service. To respond to Ofcom and Royal Mail's proposals for reform to the Universal Service Obligation (USO), Consumer Scotland commissioned Thinks Insight & Strategy to carry out qualitative research to understand the impact of changes to the USO on low-income rural consumers in Scotland. This research focussed on experiences of sending and receiving letters through Royal Mail, rather than parcels.

This research engaged 34 participants, of which 12 were digitally excluded – either choosing to not use the internet, or unable to do so due to limited digital skills or access to reliable internet.

Participants were engaged through a two-week postal diary task, followed by a depth interview to understand their usage and experiences of the postal service. The 22 digitally included participants then took part in a workshop to explore their views on the USO and suggested changes. This was covered as part of the interviews for the digitally excluded sample.

Key insights

1. All participants living rurally and on a low income feel post is essential in some circumstances. However, the extent to how essential it is depends on whether they can and want to do things online:

- For some people, post is only rarely essential and this is often driven by others requirements rather than their own preferences.
- For others, it's often essential. This group are often people aged 55+, and people who prefer to have physical copies of documents.
- For some, post is an everyday essential. This is especially for people who don't and can't use the internet and those who are running a small business.

For each of these groups, post is usually essential when it comes to legal documents, healthcare (appointment letters, test results), and finances (bills, statements). For those running small businesses, having access to quick and reliable post is essential to manage their operations, as well as receiving and sending payments. Post also plays an important role for socialising with friends and family, engaging with hobbies and feeling connected to the community.

Parcels are essential to everyone. They help people have more choice when shopping, have access to cheaper options and to things you can't easily buy in rural areas.

2. Low-income participants living in rural areas report some real challenges related to post which significantly impact their trust in the system.

Living in rural areas means that post can be delayed or unreliable – which can have financial, health or emotional impacts such as missed bills, appointments or birthdays. Some also report struggling with the cost of post. Participants are responding to these challenges by sending post earlier or via a more expensive method to guarantee timely delivery. Many are also opting out of sending post entirely by moving correspondence online, hand delivering post where they can or forgoing important but not essential post like birthday cards.

3. Stamps are considered expensive by many. If the prices go up, consumers would use the post less, or have to make cuts elsewhere

Stamps can be difficult to afford at times, especially 1st class stamps and books of stamps. Paying the same price as those living in urban areas is considered good value for money, considering the work that goes into delivering letters to and from rural areas. However, the current service doesn't feel reliable enough to justify a big increase in stamp prices.

Participants are already sending less post to save money, and are doing more tasks online (if they can). If prices went up, participants say they would avoid using post even more where they can, dropping social post (cards, pen pal letters), or deciding to learn to do things online. Some participants feel they would still need to use the post, so would have to make cuts in other aspects of their lives to afford a price increase.

4. Having reliable post is really important to participants, as is making sure there are affordable options

Having reliable post is critical. Participants say they can plan ahead if they know that post will definitely arrive, and if they know how long it will take to get to its destination.

Having affordable post is also important to those who are sending post regularly and in high volumes. Those who post less frequently see it as less of a priority as they expect they can adapt their behaviour to mainly use slower but cheaper options and budget for more expensive options on the rare occasion they have very time sensitive post.

Participants are less concerned about speed, as they can and already do adapt their behaviour to a slower service.

5. Participants are happy to hear that there are requirements that Royal Mail must meet (the Universal Service Obligation or USO) and hope that changes to the USO will help protect Royal Mail for the future. However, many worry that these changes will result in higher prices and permission for Royal Mail to deliver worse service.

Participants are content to accept small changes to the USO including lowering the number of delivery days, speed of delivery and service targets. However, two suggestions in particular cause concern for this audience:

Post and low-income rural consumers

- Participants feel that moving deliveries to 2.5 days per week is too infrequent and would be practically confusing. When taking into account the delays they currently experience, they worry this will lead to them waiting over a week for deliveries, with significant impacts for essential post.
- Participants are happy to accept a small decrease in Quality of Service targets, but a move to 80% is considered too extreme. Participants think this will be more likely to impact people living in rural areas – who would disproportionately feel this change.

1. Introduction

1.1 Background to the research

In January 2024, Ofcom put out a call for evidence on the future of the Universal Postal Service.

Declining letter volumes and increasing parcel volumes have led Ofcom to confirm that reform will be needed to the Universal Service Obligations (USO) “to better align with the needs of consumers and to ensure it can continue to be affordable and sustainable in the future”¹.

Existing research into customer requirements and expectations from the postal service has highlighted that those living in rural areas and those on low incomes have particular needs that might be impacted by changes to the USO.

As 17% of Scotland’s population live in rural areas, Consumer Scotland need to be able to understand low-income rural consumers’ perceptions of, and requirements from, the postal service.

Consumer Scotland therefore commissioned this qualitative research to understand what impact, if any, proposed changes to the Universal Service Obligations will have on low-income consumers living in rural areas. This research focussed on participants’ views on receiving and sending letters through Royal Mail (including standard and large letters, as well as pre-paid letters).

1.2 Objectives

The objectives of this research were to:

- Understand the affordability challenges that low income consumers living in rural Scotland face when sending and receiving post.
- Explore the impact of living in rural Scotland on the reliability and quality of the postal services.
- Understand when post is an essential service to these consumers and how much they are willing and able to pay for a service that suits their needs.
- Explore views on a range of policy options from Ofcom and Royal Mail regarding changes to the USO and understand what considerations should be considered when making changes.

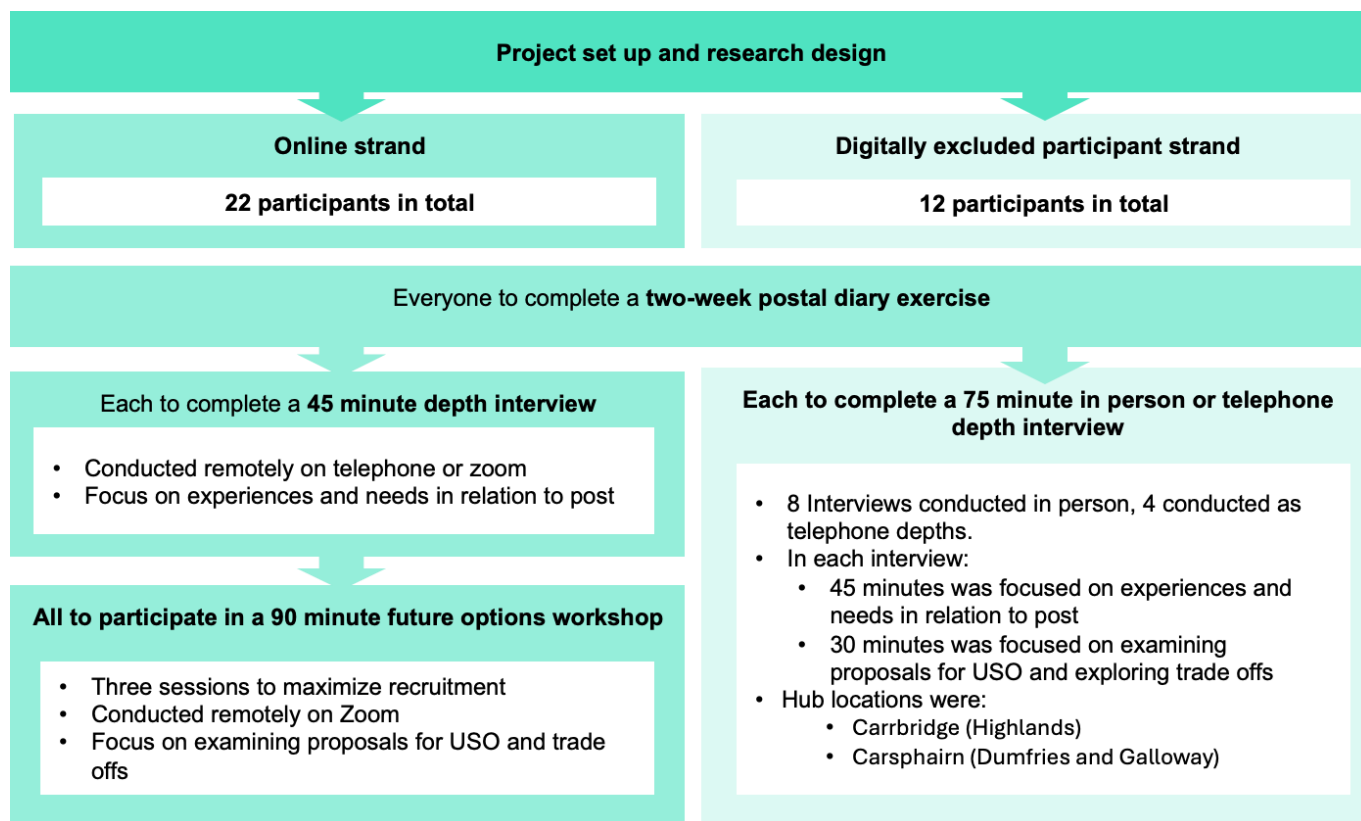
1.3 Approach and method

A qualitative approach was selected to best explore the experiences of low-income customers living in rural Scotland with the postal service. In order to

¹ <https://www.ofcom.org.uk/siteassets/resources/documents/consultations/category-1-10-weeks/275790-call-for-input-the-future-of-universal-postal-service/associated-documents/the-future-of-the-universal-postal-service/?v=330780> ; page 1

understand the views of those who may be disproportionately affected, this research comprised a strand of participants who were able to participate online, and a digitally excluded strand.

Participants were engaged through a multi-stage approach, and through different methods depending on whether they were online or digitally excluded.



Two-week postal diary and post mission task

All participants completed a two-week postal diary ahead of their interviews, capturing the post they sent and received over this period of time. In addition, they were asked to take part in a 'post mission', which involved sending a letter to London that was due to arrive by a specific date.

These activities aimed to capture participants' real experiences of post, so the research would not rely solely on their recall. They also encouraged participants to reflect further on their use of post and day to day experiences with Royal Mail. The 'post mission' aimed to replicate the need to send a time-sensitive letter, to prompt participants to think about some of the challenges and adaptation they make around sending post.

Depth interviews

Depth interviews were conducted with all participants. Those with the digitally excluded audience were conducted in person or by telephone depending on participants preferences. These took place with participants living mostly in the Highlands and Dumfries & Galloway which were chosen as hub locations for face-to-face interviews, as well as other locations (see achieved sample below). Those with the core participants were conducted online via Zoom. These interviews were longer to cover participants experiences of post and views on potential changes to the USO.

All interviews focused on individuals' experience with post including sending and receiving mail. This allowed the time and space for moderators to probe on specific examples, challenges participants and adaptations they made. Depth interviews also ensured participants were able to talk about issues of affordability and quality of service in a supportive and relatively anonymous environment.

Digitally excluded participants took part in a longer interview which allowed time to explore their views of proposed changes to the USO and any impacts this might have on their use of post.

Future options workshop

These workshops were conducted with core participants who were able to take part in the research online. Sessions focused on proposed changes to the USO, exploring the possible trade-offs associated with proposals and the expected impact on participants use of post. Bringing participants together into group sessions allowed the exchange of experiences and discuss the potential implications of suggested changes.

Analysis

Researchers took notes during interviews and workshops, summarising key themes and noting down verbatim quotes. Following fieldwork, data was inputted into a thematic 'grid' to allow for robust analysis of key themes, including similarities and differences between audiences. This analysis grid was revisited regularly throughout the research and subsequent reporting phase to ensure findings were reflective of participant views and experiences.

Data from the different elements of this research were analysed together. For instance, the experiences and feedback shared in the interviews and focus groups together, allowing us to compare and contrast the two main audiences.

This manual analysis process was complemented by use of CoLoop, a specialist AI tool designed to support with analysis of qualitative research. All participants provided the appropriate consent for transferring a recording of their interview to CoLoop. For this research, CoLoop was used for the following purposes:

- Delivering automatic transcriptions of recorded interviews and workshops. These transcriptions were quality checked by a member of the Thinks research team.

- Support with the organisation of raw data into a qualitative analysis framework, e.g. providing an initial summary of key themes, linked back to source data to allow for quality assurance. This was used as a complementary tool to sense check key findings and themes, and was not used as a replacement for manual, researcher-led analysis.

1.4 Sample

We heard from 34 participants living in rural areas and on low incomes throughout Scotland. Of this group, 12 were digitally excluded.

Participants were recruited mainly through a free find recruitment methods which involved the use of recruiter databases, social media reach out, and referrals from local contacts in rural Scotland. A snowballing approach was also taken, with participants recommending others in their community who might fit our sample criteria.

All participants live in Scotland, including the Shetland and Skye, and are living in rural areas with a population lower than 3,000 people. The Scottish Government Urban Rural Classification was followed when measuring rurality. The sample includes different types of rural areas, which are defined as follows:

- Accessible Rural Areas are within a 30-minute drive to a settlement of 10,000 or more people.
- Remote Rural Areas have a drive time of 30-60 minutes to a settlement of 10,000+ people.
- Very Remote Rural Areas have a drive of over an hour to a settlement of 10,000+ people.

For the purpose of this research, low income is defined as people not working or retired, self-employed, in part time or ad hoc work or from socio-economic grades C2DE. This was used in conjunction with the following statements, which participants had to answer yes to at least one of:

- I have used my bank account overdraft in the past year
- I don't always have enough money to pay my bills each month
- I was made redundant within the past 12 months
- My partner was made redundant within the past 12 months
- I am struggling to afford the essentials
- I would struggle to pay an unexpected bill of £100 or more
- I struggle to afford anything more than the essentials

We defined digitally excluded as any participant who answer very uncomfortable or yes to one of the following questions:

- How confident would you say you feel doing things online?
- Do you struggle regularly to complete activities online due to external factors such as bad connectivity or poor quality devices? *By 'regularly' we mean typically more than once a day.*

Category		Online	Digitally excluded	Total
Gender	Female	12	9	21
	Male	10	3	13
Age	18-24	5	-	5
	25-44	5	-	5
	45-64	10	10	20
	65+	2	2	4
Location	Highlands	5	4	9
	Dumfries & Galloway	4	4	8
	Aberdeenshire	1	4	5
	Borders	2	2	4
	Shetland	-	2	2
	Skye	-	2	2
	Other locations across Scotland (Argyll and Bute, South Ayrshire...)	-	4	4
SEG	C1	4	2	6
	C2	3	1	4
	D	8	5	13
	E	7	4	11
Employment	Permanent employment / full time	6	4	10
	Self-employed	4	1	5
	Part-time employment	5	1	6
	Not working	4	2	6
	Retired on a pension	2	3	5
	Informal carer for relative	1	1	2

Ethnicity	Minority ethnic background	1	-	1
	White Scottish / White European / White other	21	12	33
Disability	Disability / LTHC ²	5	9	14

- Does your current financial situation mean you can often struggle to get online consistently? (e.g., not having a device that can reliably access the internet or not being able to afford data)

The sample was intended to represent the diverse experience of those on low incomes in rural Scotland. We therefore recruited a spread across gender and age. This is a qualitative sample and is not designed to achieve statistical representation, but a diverse range of experiences across the sample.

All participants were current regular users of the postal service and were recruited to include a spread of types of letters they had engaged with in the past six months. This was designed to allow us to explore the variety of experiences with post amongst those who use it.

It is also worth noting that although 5 participants are recorded as self-employed and did speak to us about their businesses, this is in relation to their primary income. More participants had smaller informal businesses or ways of supplementing their income that they spoke about during the interviews.

The sample was intended to represent the diversity of experience of low income rural consumers living in rural Scotland. We therefore also sought to achieve a spread of gender, age and ethnicity in our sample. However, the overall sample did skew towards people from a white ethnic background, and female, reflecting the composition of the low income rural population in Scotland.

Due to the focus on people on low incomes, our sample also included a high proportion of people with disabilities – who are often on lower incomes – and did not include participants from socio-economic grades A and B.

Our digitally excluded sample also includes a high proportion of people living with a disability or long-term health condition, and more women than men. Again, this represents the demographic of the digitally excluded audience.

² This was self-described by participants, who were asked whether they had a long-term illness, health problem, disability or impairment. This included a wide range of categories, across visual or hearing impairments, mental health conditions, learning disabilities or difficulties, difficulty with memory, and physical impairments.

1.5 Reading this report

As this research focussed on letters, this report discusses these throughout. In some places, more detail, where relevant, is pulled out on the use of parcels through Royal Mail delivery.

This report discusses the online and offline audiences together, pulling out key differences or specific experiences where relevant.

Throughout this report, we have included verbatim quotes to bring the research findings to life. We have also included case studies (see 'Spotlight' pages at the end of sub-sections), which reflect real participant experiences with some minor details changed to protect anonymity.

2. Context: Living rurally on a low income

Participants like living rurally, and described the main benefits as the peace and quiet, having nature on their doorstep, and getting to enjoy the setting they live in. However, most accept that living in the countryside can have its challenges, particularly when living on a low income.

All participants are relying on a limited income often through their salary, pension, benefits or small – and often insecure – business. They are having to budget very carefully to manage rising costs and support their household. This means they have to think carefully about every expense, including those related to post like the cost of stamps amongst competing expenses such as food, gas or fuel. Many say the continued rising cost of living is a constant source of worry, leading them to be particularly sensitive to future price rises in the goods and services they rely on.

"I get paid monthly and you find by the end of the month you're really struggling just to make ends meet, just for the last couple of days before you get paid again."

– Remote rural area, 24, Online

Living in a remote area requires significant travel to access essentials. As many live far from the nearest village or town, even trips to access basic goods and services, like a post box, can require long distances. Most travel via private vehicle meaning the cost of fuel needed for these trips is always front of mind.

The cost of fuel and the time taken to travel also prompts forward planning of trips to ensure they are as efficient as possible. Most participants carry out all their errands in their local village or town in one go, meaning that some small errands (such as posting a letter or buying stamps) have to be delayed until there is a sufficient need to travel.

"So we live in a village just outside of the main town in Shetland which means I have to get a lift to town to post things... As a wheelchair user, we've not got fully accessible transport in Shetland yet. So I have to take a car ride up to Lerwick in order to send something special delivery. So that adds to the cost further for fuel."

– Very remote rural area, 19, Online

Participants note that in recent years many services have closed or have reduced their operating hours making them more difficult to access. For example, many have seen their local post office close meaning they must travel further distances at a greater cost to access the things they need. As a result, errands can be delayed even further to ensure there is enough to do to justify the fuel costs of a long trip.

"I mean, I'm lucky, I've got [a post office] one 12 and a half miles away. Some people who I know haven't got a post office for 50 miles. We've already had all our banks closed and once post offices go, we'll have nowhere to bank our

money or anything... I'm fairly happy with the affordability, but it's accessibility to people who are not as mobile or as well off as I am."

– Remote rural area, 73, Online

Living rurally and remotely also means having access to only a limited number of shops. This means participants have little opportunity to shop around in person to get the best prices for the products they want or need, which can have a negative impact on finance and budgeting. To manage this, many participants rely on remote shopping via catalogue or online and having products delivered to them via Royal Mail or a private carrier.

Across this sample, two key audiences had specific needs that impacted their relationship and experiences with post: digitally excluded participants and small business owners.

Digitally excluded participants

The digitally excluded audience in this sample roughly falls into two categories:

- Those who lack digital skills and interest.
- Those who can't access a reliable internet connection.

Participants who lack digital skills or interest are often older people who might have one internet enabled device, like a smart phone or laptop, which they use irregularly for minimal functions e.g. texting. This audience either do not want to be engaged with digital resources or do not know how to be. They often rely heavily on their network for support with any online tasks. For example, they will seek help from family and friends to check bills online or view any monthly statements. These participants will get family members to print off any online correspondence – preferring to read a hard copy. This audience value physical post as it allows them to keep on top of administration without relying on family members. Therefore, receiving physical post is important to this audience.

"It's very important to me because I like things on paper, I like to have hard copy, I like to be able to scribble on things. So, I mean, if I had the choice, I would get everything on paper. But of course, you don't get the choice nowadays."

– Remote rural area, 73, Online

Those who cannot access a reliable internet connection include people who either cannot afford reliable internet or who are geographically unable to access one. These participants include those with children, and those with a small business. They therefore have to juggle a range of different internet tasks like homework, managing household admin, or business tasks with unreliable or inconsistent connectivity.

"There'll be some days I'll not get anything like... I don't know how to describe how far I am. But there's some days you won't see anybody and you get no

signal. At least the postman can come. I can drive down to my letter box and pick everything up. But if I don't get my post then if things were coming in email, then I would miss them for a couple of days. Yeah, it could be pretty bad if you miss an important email about something."

– Remote rural area, 24, Online

These participants manage their connectivity issues through a variety of workarounds including driving to local community centres or hubs to use internet there, downloading information at work and replying on mobile phone data. This means they are more likely to use post to receive hard copies of important documents, so they are always able to access them.

"My son will be watching YouTube, if he's watching YouTube, we can't do anything ... So, if I want to download anything it's generally once everybody goes to sleep."

– Very remote rural area, 47, Digitally excluded

Spotlight: Living offline

"I worry about being cut off... last year, I was stuck in for 3 days because of the snow... I worry about losing the car license, and what it will be like not having a car"

Christine*, 64, lives in a small village in Dumfries and Galloway and is retired. She has a very active social life, loves gardening and helps write the parish newsletters. Christine does have a mobile phone, but isn't confident using it for online activities, and doesn't have Wi-Fi due to the cost.

She lives alone, and while she is currently in good health and very active, she worries about her future in rural Scotland. Living alone and remotely means she relies on her landline, and post, to keep in touch with friends and family, some of whom live abroad. One of her most valued connections is with her pen pal, who she's been corresponding with for decades. She also really values her postie, who is the only person she'll see face to face on most days.

**Note names have been changed to protect anonymity*

Small business participants

The sample also includes 5 participants who run their own business. Participants' businesses are often running as a family operation or only involve one or two employees. Due to the small size of these businesses, and in many cases, their seasonal nature, participants have to work hard to keep them afloat, and in some cases struggle to make a living out of them.

Running these businesses requires a high level of admin and paperwork. Some use the internet to manage invoices, tax returns and legal registrations. However technical ability and internet access in this group is mixed, and some continue to rely on paper documentation received via post and the support of other more online friends and family to help them to run their business.

Across the sample as a whole there are many participants who don't identify as small businesses owners but who engage in side projects to supplement their income. This includes selling produce and crafts at local fairs or online, and selling old and vintage clothes on apps like Vinted. For many, this informal income stream requires the use of the postal service to distribute their products.

Spotlight: Small business owner

Elaine*, 52, lives on a small farm with her husband and daughter. It isn't big enough to support them all, so she also works as a contract shepherd and sells produce at farmers markets.

It's an incredibly busy schedule, working on the farm during the day and then doing bookkeeping and making produce to sell in the evening. Owning lots of livestock, she has to keep on top of government legislation including licenses and making sure the animals are housed correctly.

Since they don't have internet at home, Elaine often has to drive to the community centre or a friend's house to sort out business-related paperwork and apply for benefits like Universal Credit.

"It's things like the goat registrations... They used to send the registration forms by post. Now I come up here and sit on the Internet and send them at way."

**Note names have been changed to protect anonymity*

3. How people living rurally and on low incomes are currently using post

Summary

All participants consider post to be essential to some extent. Financial, business and health-related letters are considered essential for participants to plan their lives and work – although the frequency at which they send or receive these varies across the audience. Across the board, participants consider parcels essential, as they give low-income rural people access to greater choice and lower prices for essential items. While not essential, social post is seen as important, especially for those who feel isolated living in a more rural area.

Almost all participants are experiencing challenges affording stamps. An increase in price, would lead all to consider cutting back on the post they send with social post being the first to go. Price rises are therefore a particular concern for those who are digitally disengaged so rely on post for keep in touch with loved ones.

3.1 Essential post

All participants consider post essential, but how essential post is varies and is influenced by an individual's comfort using the internet, and the tasks they do on a regular basis e.g., using post for small business administration.

Participants who consider post occasionally essential

- Mostly younger, and more comfortable being online and using the internet.
- The majority of their communications are online or by phone. For example, this group are paying bills online, and receiving bill statements via email.
- How essential this group considers post, is often influenced by others' (e.g., the receiver) preferences rather than their own.

Participants who consider post often essential

- Older (55+) and while they occasionally are online, they prefer physical copies of the post they consider essential.
- Very remote participants or those who live with unreliable internet connection also fall into this group.
- They have some online comfort, so are not reliant on everyday post so are often receiving post due to preference rather than necessity.

Participants who consider post an everyday essential

- This group is in the minority and made up of digitally excluded participants and small business owners.
- Digitally excluded participants are not online, or confident of going online, so rely on post. It is essential for their finances, health, and communication with family and friends.
- Small business owners have specific business-related postal needs like finances, government regulation and sending out product. Physical post is occasionally driven by the business but for some they use post because their customers/suppliers operate offline.

"Anything I am sending, the vast majority will be in relation to the work I'm doing. Receipt letters, thank you letters, membership cards, grant award documentation, that sort of thing."

– Accessible rural area, 60, Online

Several different types of letters are identified as essential by participants, ranging from those sent and received regularly to those only sent once every so often (but no less important).

Financial related post is most often referred to as essential. This includes financial statements, rent or bills, mortgage payments, or benefit communications. Those who see post as often or always essential are using it for most of their financial planning. This means any miscommunication or delay in sending or receiving this type of post can have significant financial impacts. Those who only receive essential post occasionally report receiving important but infrequent financial post too, like a letter from HMRC or an annual account statement.

Participants also feel that health-related post is essential, but most are not sending or receiving it as frequently as financial or business post. Health-related post includes news around NHS or GP appointments, anything related to a long-term illness, or other updates and communications from their local GP or hospital. Less common is health related post with test results or news on a diagnosis, which is considered particularly important. Many participants, even those younger and more online, want to receive health-related post. They see as a good physical reminder, and they want a paper trail of appointments. Many also are unsure what the alternative would be, as their local service seems unlikely to call or email them with any updates.

"Essential letters? They would be things like medical appointments which come by letter. If they didn't arrive, I wouldn't know anything about them, so I wouldn't attend the appointment."

– Very remote rural area, 56, Online

For some participants, legal post and government communications post is essential. This includes sending to and receiving post from solicitors or receiving a passport, which are key examples of essential post for those who receive it only occasionally.

Participants who run a business use post for sending invoices or tax returns or sending out product. Farmers or those working on smallholdings are also often in communication with the Government regarding updates to farming legislation. While this is not a regular occurrence, it is essential for them to keep operating their business legally. For those who are digitally excluded, or have intermittent internet access, being able to fall back on post is key to maintaining operations.

Parcels are essential for all participants

All participants consider the sending and receiving of parcels essential. Living rurally means participants lack easy access to a variety of options for retail shopping limiting their choice. Parcels are therefore essential to enabling them to access better options or prices than are available in local stores. Shopping remotely and receiving these goods via parcels also minimises travelling. This saves participants the time and fuel cost of going to a larger town or city to get the items they want and need.

Participants with long-term health conditions especially rely on parcel delivery. It enables them to receive products when they are less able to get out and about, especially important packages like medicines.

Parcels also play an important role in supporting participants to make money. Small business owners often use parcel delivery for sending and receiving things related to their business, and other participants also rely on parcel delivery to support income-generating activities. For example, some sell clothes on resale platforms like Vinted.

Even those participants who are classified as “digitally excluded” rely on parcels. Those who struggle to get online due to cost or connectivity still regularly purchase goods online for delivery when the internet is available. Even those who lack skills and confidence online will get support from friends and family to make internet purchases. They also order from catalogues so they can still have access to the benefits of remote shopping.

Many note that private options for sending and receiving parcels are more expensive and less reliable options than the service offered by Royal Mail. In particular, those living on the Isles note that some couriers will refuse to deliver to them or that delivery times can be infrequent and patchy as they rely on a single courier.

"We order a lot of stuff online because it is so much easier than [going to] our nearest city, [which] is like 35 miles away. It's a lot cheaper just to order from online and have it delivered."

– Accessible rural, 57, Online

3.2 Important post

Participants identify several uses of post that they say they could live without, but still consider quite important for their wellbeing.

Using post for socialising is particularly important for participants who live alone, live remotely, or are offline. In particular, older participants have pen pals or are sending and regularly receiving post from friends or family. While this type of communication is considered important, socialising via post is often cut back or stopped when participants are struggling with affordability. It is also rarely used by younger, or more online, participants except on special occasions like birthdays or Christmas.

"Everything you get is important, someone's taken the time to address it to you and pay for it, there's a reason for it"

– Accessible rural area, 64, Digitally excluded

"[With] my nephews, I send them birthday cards and everything... I don't do it on the internet. I send them a card."

– Remote rural area, 65, Digitally excluded

A minority of participants also engage with important post relating to their hobbies and interests. This type of post includes things like receiving magazines or shopping catalogues, membership letters, church newsletters, and other specific hobbies like celebrity autographs or pet food. Older, and digitally excluded participants are the biggest users of these types of post, and it often plays an important role in supporting their happiness and wellbeing.

3.3. Post and the community

Participants emphasise the importance of their postie in building their sense of community. Everyday deliveries can act as a connection to the outside world for those who often don't see another person most days. Participants also note that these daily visits mean the postie can keep tabs on the most vulnerable in their community, such as those who are ill or elderly, and check up on them and raise the alarm if something looks wrong.

In these small rural communities, many participants know their postie well, often by name, and appreciate the informal role they play as a local message carrier. Many like that their postie will share local news around road closures or escaped animals as they drop off their deliveries. As a result, many have a real

loyalty to their postie and want to see the role they play in their community protected and supported by Royal Mail.

"The only thing that strikes me about postal service in rural areas is the importance of your postie. He sees what's happening. He sees if someone's not had their posts or not, [if] their curtains are still shut at an odd time. He knows us, or she does."

– *Very remote rural area, 57, Online*

Spotlight: Community and social links

Maggie*, 65, lives in the Highlands and is recently retired. She highlights her distance from urban centres, and how this can lead to feelings of isolation for her and other people her age due to fewer opportunities for social engagement. She relies on sending and receiving post to keep in touch with her friends, and sends cards to her family.

Maggie acknowledges how important posties can be for older, or more remote, members of her community as they often check up on them and can do small favours for them if needed.

**Note names have been changed to protect anonymity*

"They [posties] do look out for you. The postman here, they know everybody. They do get to know you and they come in and say, you all right? I'm sure, if I needed anything I could ask."

3.4. The price of post

Almost all participants are experiencing challenges affording stamps for the post they want and need to send. Those who only post documents now and again see the cost of post as expensive but manageable, while those who post regularly see the price of stamps as becoming unaffordable.

When asked in the interviews how they would feel towards a 10% and 20%, increase in the price of stamps, all participants say any increase (even 10%) would limit their ability to use post as often as they would like to. Participants expect they would have to cut back their usage, moving as much as they can online and stopping the sending of any non-essential post, particularly the post used for socialising. Digitally excluded and older participants worry that an increase in the price of stamps will further isolate them as they are most reliant on this type of social post. However, some say they will be unlikely to eliminate

their use of post entirely, meaning a rise in price would result in them having to make cutbacks elsewhere to continue to use the service.

"I just think [the cost of a stamp is] mental. It's almost like they're wanting to phase out the post. Less and less people are using it... it's just becoming so expensive."

– Remote rural area, 27, Online

"I think you just get used to it, that's the thing. So you just accept it as affordable because you have to use it. So yes, it wouldn't, it would, it would be like anything, it would become uncomfortable, inconvenience. However, it's important. So you kind of pay the price... You may not be happy about it, but you know, it's something you need." Monika

– Very remote rural area, 44, Online

More broadly the cost of stamps is seen as unreasonable and poor value for money. While rural participants are glad they can benefit from a consistent price across the country, declining service and increasing prices cause significant frustration. As outlined in section 6 below, participants are consistently having to adapt their behaviour to mitigate poor service, so they feel expensive prices are difficult to justify. For many, the current level of service is not considered good enough to warrant future price increases, although most expect the changing nature of post use will make this price rise inevitable.

"I would say depending on where you live, it can be good value for money. However... at least as someone living [very rurally], due to the inconsistency of Royal Mail at the moment of their delivery times. it does not feel worth it... I'd only really use [special delivery] if it had to arrive at set time."

– Very remote rural area, 19, Online

4. Challenges with the postal service

Summary

Low-income participants living in rural areas report some real challenges related to post which significantly impact their trust in the system. Sending and receiving post is unreliable making it difficult to know when a letter will reach its destination or if important post has been lost. Many live long distances from post offices and sorting offices which they say can lead to significant delays in receiving post, especially in bad weather. Some also report not receiving regularly receiving deliveries six days a week as per the USO. Problems with reliability and speed can have important financial, health and emotional impacts such as missed bills, appointments or birthdays. Participants are all struggling with the cost of post, which for many results in the use of only second class stamps. Participants also report delaying sending post to save on the fuel costs of driving to a post box.

1. Post can take longer than expected to reach destination

Participants say the post they send can often take longer than expected to reach its destination. For those living on the islands this is particularly pronounced. These participants describe whether post reaches its destination on time as completely random, with deliveries sometimes arriving at the destination exactly on time and other times taking over a week to arrive.

Many also report waiting longer than estimated to receive expected post or not receiving it at all. Living rurally means that many live far from a post office or sorting office which they feel contributes to delays.

"I think reality-wise, if something gets there the next day you think wow that was good... you expect it to be maybe the second day."

- Accessible rural area, 64, Digitally excluded

Impact

Inconsistent and unreliable speed when sending post impacts digitally excluded participants the most. Their reliance on post to pay bills via cheques, means they often send letters that need to reach their destination by a specific time. Potential delays in sending these bill payments are stressful to contemplate as they can result in late charges, something most cannot afford.

"Well, a lot of them are bills to be paid by and by delaying that, you're going to get closer and closer to the day that needs to be paid. And if you're budgeting to be able to pay that, you're going to have less time to sort it out, aren't you?"

- Remote rural area, 65, Digitally excluded

For those sending social post to mark important occasions like birthdays and Christmas, slow and unreliable service can lead to cards and letters arriving later than intended. This can be upsetting for participants as it makes it seem that they have missed or do not care about their friends and family's milestones.

2. Post is not delivered every day it should

A few also feel they are not receiving deliveries of letters six days a week, including those whose areas should be covered by the Universal Service Obligations (USO), also resulting in expected post not arriving when it should. Reliability is a particular issue when weather is bad causing post to be significantly delayed. This is especially a problem for the four participants living on the islands.

"Even on the islands, for example, we're already having to deal with first class being more like three days delivery due to the distance. Especially with how the air post seems to just go back on itself a few times on its journey in from the island. For the islands we actually sent a special delivery letter and it took multiple days."

– Very remote rural area, 19, Online

"It seems that whenever there's bad weather, i.e. snow, they don't seem to deliver."

– Remote rural area, 28, Online

Impact

Those who rely on post for essential documentation, especially digitally excluded participants, see significant impacts of delays on their day-to-day life.

Participants recall delays in financial, health and business-related post, which can cause missed appointments or make up to date financial planning difficult. Small business owners report having to hold off making payments, or delay buying essential items when invoices or cheques are held up in the post.

"For legal documents arriving and putting things in a time scale, there's a late signage fee and return fee, stuff like that. You try to get it within timescales, [but] where you don't meet that deadline, you lose out on stuff."

– Accessible rural area, 31, Online

"I primarily receive invoices through the post, and any delay in receiving these can disrupt my ability to manage payments and keep track of expenses for the farm."

– Very remote rural area, 56, Digitally excluded

Delays and inconsistent reliability significantly impact participants confidence in the system. Many say that they struggle to know if post has been lost or is simply delayed, which can be frustrating and create unnecessary worry.

3. Post is difficult to afford

Participants also experience challenges related to affordability. Most consider stamps expensive, including second class stamps. These participants also note the cost of anything other than second class delivery is unaffordable. Books of stamps are particularly expensive and not everyone can afford to buy a book at

a time. First class and special deliveries are considered significantly expensive, and those who make use of these services only do so in special, urgent or unavoidable circumstances.

"I feel like I really don't have the money to send these letters out... that's why I tend to use second class, because I feel like it's really affordable [in comparison]."

- Remote rural area, 24, Online

Outside of the cost of postage, participants also have to consider the cost to travel to a post box, post office or place to buy stamps. Most don't have these services in walking distance, and those that do consider themselves lucky. As such, participants will consider the cost of fuel when considering when and how to post their letters.

Impact

The cost of stamps means many participants rely on second class for almost all their mail. As a result, many have to adapt their behaviour by planning ahead to ensure post arrives to its destination when needed.

The cost of fuel to travel to a post box, mean participants describe delaying sending an item until they are in town for another purpose. This dynamic is particularly challenging for those who cannot afford a book of stamps at a time, so also have to pay for the cost of fuel for each stamp purchase.

5. Adapting behaviour in response to challenges with the postal service

Summary

Participants are responding to the challenges they experience with the postal service by:

- a) Moving correspondence online where possible – which poses a significant challenge to those who are digitally excluded.
- b) Stopping sending non-essential post such as social post.
- c) Building in additional days for post to be delivered, and sending post earlier than needed to ensure it arrives on time.
- d) Spending more money on more expensive stamps which are considered faster or more reliable.
- e) Delaying sending post until they are able to send multiple items at once, can hand deliver or are planning to be near a post office, to reduce costs.

a) Moving correspondence online

The most common adaptations participants make in response to these challenges is sending less post. Problems with reliability have resulted in many moving their most essential correspondence online. For those who are confident and able to get on the internet, receiving financial statements, bills and completing applications online helps ensure they don't miss anything – as discussed in more detail above.

For those who are digitally excluded, moving more correspondence online is tricky. Those who lack the skills and confidence to get online need to rely on friends and family to help them, which can be a logistical challenge. For those struggling with connectivity, moving some of their activity online now requires them to travel places they can access WIFI (with associated fuel costs) or pay more to use their mobile data. For some digitally excluded participants these changes, while inconvenient, are necessary to ensure reliability of key communication.

b) Stopping sending post

Issues with the affordability of post also lead participants to stop sending the letters they do not consider essential. This is typically social post, such as birthday or Christmas cards and letters to pen pals. For participants who use post as an important social link to the outside world, having to make this sacrifice can have real negative impacts on their wellbeing.

"[Finances are] such a struggle now. I get paid monthly and find by the end of the month you're really struggling just to make ends meet before you get paid again. I stopped spending on anything the last maybe week. You're a bit reluctant to send as much... If I'm visiting family, I'll maybe drop off all my cards

for birthdays and anniversaries and everything, just to save a bit of money on stamps and everything."

- Remote rural area, 24, Online

c) Allowing extra time

Where participants do still want and need to send post, many say they have to aim to send all time sensitive letters a day or two earlier than they should officially need to, in order to ensure their post arrives on time.

As a result, participants say they have to keep organised around upcoming deadlines and plan their time carefully, particularly if they are aiming to coincide sending a letter with a trip to complete other errands. For those who are a little disorganised or struggle with administration, this need to 'build in' additional time for delays can be particularly difficult and frustrating.

d) Paying more for a better service

In response to delays, some participants also take a decision to pay for a more expensive, and they expect more 'reliable', service to ensure that very important post arrives to its destination on time. They mention sending important post by first class or recorded delivery even when a second class stamp should technically get their letter to its destination in good time. This can come at a significant cost burden for low income participants and cause them to cut back on other elements of their life to afford this more reliable service.

"If I'm sending something important, it's first class because I want to make sure they [receiver] get it. And sometimes, recorded delivery – so that's even more money."

- - Remote rural area, 65, Digitally excluded

The post mission task, which involved participants sending a letter to arrive by a specific date, revealed that some participants feel they need send letters using recorded or special delivery to ensure they arrive on time.

"It was quite stressful because when I went to the nearest post office, it said that it was closed for unforeseen circumstance. It was not pleasant experience with that postal mission, to be honest, because I felt really stressed for getting it there on time... So if I need to send, let's say, an important document that I need to be delivered somewhere within a day or two, I think I would struggle to do that with Royal Mail or at least with the facilities we have around here."

- Very remote rural area, 44, Online

e) Delaying sending post

Due to rising stamp costs, some now rely on delivering letters to family and friends by hand when they know they will be in the area or see them, planning ahead for future events.

To reduce costs associated with travel or fuel, some participants save up sending letters or buying stamps to when they can combine it with other trips to town. This can result in significant delays to the sending of non-urgent post.

Post and low-income rural consumers

Participants also save on fuel and other associated travel costs by using pre-paid mail, or other home collection services e.g., Parcel Collect which is free.

"I buy postage online, click and collect. It actually costs 20p more to drop it off at the post office than it does for the postman to collect it."

- Remote rural area, 24, Online

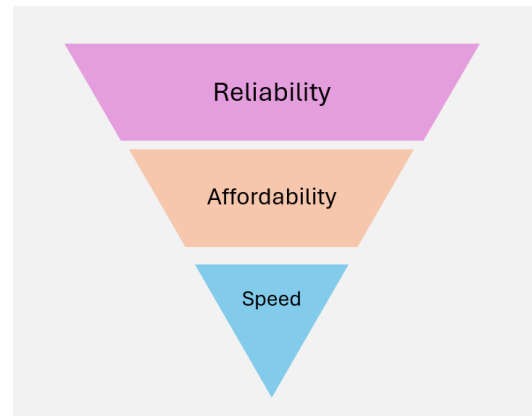
6. Priorities for the postal service

Summary

Participants were asked in the workshops (and depth interviews for the digitally excluded audience) about their priorities across reliability, affordability and speed.

Overall, participants want to see reliability of the postal service prioritised, as they say they can adapt their behaviours to slower speeds if they know when post will be expected.

Although affordability is important for those who post regularly and send high volumes of post, those who use it less frequently don't see it as much of a priority. Participants are less concerned about speed, as they can and do adapt their behaviour to a slower service.



Reliability

When considering their priorities for the postal service, participants rate reliability as their most important priority.

Reliability is key when it comes to sending and receiving post that is both essential (especially financial post) and important (especially for time-sensitive events such as birthdays and Christmas).

Participants say that a reliable service will enable them to adapt their behaviours to ensure their post arrives on time. They say that if post is slow but reliable they can still plan their time to ensure that letters get where they need them to be when they need to be.

Current frustrations with an unpredictable service make this desire for reliability even more pronounced. Consistent problems with delayed or lost post mean participants want to see Royal Mail take action in this area. For some, it also means they are reluctant to see any changes that will slow down the service they receive any further – for instance, changes to delivery speeds.

"I just think reliability is definitely the key point, living out here. If you need something desperately to go somewhere, you're going to pay what you need to, but then you're going to have to rely on it getting there."

– Remote rural area, 28, Online

"For farmers, especially those dealing with livestock registrations or ordering supplies, delays in post can mean missing critical deadlines or not having what you need when you need it."

– Remote rural area, 73, Online

Affordability

While affordability is important too, it is not prioritised consistently amongst this audience. Those who are regular users of the postal service say that affordability is absolutely vital to ensuring they can use post as they need to. This group will pay for a cheaper and a perceived more unreliable service (second class) for most of their less urgent mail. Therefore, an affordable option for sending the bulk of their post is essential. However, this group still emphasise the importance of reliable options for when they need to send important mail.

Those who send post rarely but often in very important or urgent circumstances note they will prioritise reliability over price, by paying for recorded or special delivery to ensure it arrives where it should do on time. For this group, affordability is less important than reliability as they only expect to use the postal service now and again.

Speed

Although all participants say speed is nice to have, most say they can work around slower speeds as long as they can count on a reliable and affordable service. Most say most of their postal needs are not urgent or can be planned in advance, meaning they rarely need to use the fast options offered by Royal Mail. Very few regularly use first class, instead adapting their own behaviour to make second class postage work for their needs.

The exception is small business participants sending out product and other occasional time-sensitive and important post, such as legal letters or applications. These participants are willing to pay more for speed when it comes to these occasional uses. Some participants are also willing to pay more for faster post when it comes to birthdays – particularly if they are 'disorganised' and have not allowed as much time as they should have for cards to arrive.

"I wouldn't mind paying a premium to ensure that [post] went through faster than normal. I haven't renewed my passport for over 10 years now, but I hear there are delays so I wouldn't begrudge paying a bit more for something like that."

- Remote rural area, 73, Online

7. Views of Royal Mail's Universal Service Obligations (USO)

Summary

Participants have little previous knowledge of the USO but, when they learn about it, they are pleased to hear it is in place. However, many are not experiencing the USO as they should. Some report real issues around the frequency of delivery, reliability and post not being affordable. Participants accept the need for changes to the USO, but worry that changes might lead to further erosion of quality of service, increases in stamp process and job losses for posties.

7.1 Knowledge of the USO

Participants have very little knowledge of the USO. A small number know that Royal Mail has to work towards certain targets and provide consumers with a certain level of service. But many have no idea of its existence, and almost none understand that it is legally binding.

"I knew there was some kind of service we were entitled to, but I didn't know it was an obligation. I didn't know it was set in law."

– Remote rural area, 73, Online

On learning more, participants are very pleased to know that Royal Mail had to meet the minimum requirements set out in the USO, and feel that the obligations it sets out are important. In particular, they appreciate the principle that Royal Mail must provide consistent service across the UK, as this is especially beneficial to rural areas.

7.2 How participants currently experience the USO

In practice, while participants report some obligations are being delivered consistently, there are key areas where not everyone is experiencing the USO as they should.

The aspects of the USO that participants feel are working well include:

- Prices costing the same throughout the UK: Participants across the whole sample note they are getting this from Royal Mail. This stands out as a particular benefit of the postal service, as other courier services do not guarantee this in many rural areas, even accessible rural areas.
- At least one collection of letters and postal packets every Monday to Saturday: Participants assume this is happening and have not noticed any issues surrounding collections.

Not everyone feels they are experiencing the following aspects of the USO as they should be:

- Deliveries of letters 6 days a week: As mentioned above, across rural Scotland some participants report missed delivery days. This is a particular problem in areas not covered under the Quality of Service (QoS) targets but can be a problem for those in other areas too. In particular, those living in very remote areas and on untarmacked roads do not feel like they can rely on a 6 day a week delivery service. Some in this audience have to instead rely on informal arrangements for post, such as collecting their post from neighbours instead getting it delivered, which can result in mix ups or delays.
- QoS targets: As mentioned in the previous chapter, many lack confidence in the post they send consistently arriving on time. Participants report their sent post arriving on time or being delayed almost at random with typical delays being a couple days. Unsurprisingly for those living in areas that are not covered by QoS targets, particularly island communities, delays in the arrival of sent letters is a particular problem. Some report their mail regularly arrives weeks later than it should.
- Affordable prices: On hearing more about the USO's obligations around affordability, there is a sense that Royal Mail is currently (or very soon will be) failing in this respect. As mentioned in the previous chapter, many find the cost of stamps expensive, and recent price rises cause concern that post is becoming unaffordable. This is the case for first class stamps, and increasingly for second class stamps, especially those who are struggling most with the cost of living and use post most regularly.

Participants have little experience of legislative petitions and services to blind / partially sighted people. Most don't spontaneously know these provisions exist, and while they appreciate them in principle, they do not expect to need to use them regularly.

Spotlight: USO experience on an isle

Ellie*, 24, recently moved back to her parents' village on an isle a year ago. She lives down a rough track, about two miles off any road, and a 4x4 is required to get to her house.

She works as a waitress at a café in the village and spends a lot of time with her four horses as they need training and exercise.

In her current location, the postman can't access her drive to deliver post, so they drop it off at the local village to her neighbour's parents. Her neighbour often forgets to pass the post on, and will wait sometimes days or weeks to deliver her post. This causes delays and means it's difficult to know if important letters have been delivered or have been lost.

**Note names have been changed to protect anonymity*

"It's complicated down here because the post can't get to our house so he delivers to our neighbours parents house in the village and then they pick it up and bring it down... sometimes he might forget or have it in his car for a few days so it's not 100% reliable"

7.3 Hopes and fears for changes to the USO

Participants recognise that demands for the postal service have changed over the last few decades. For those who are able and confident to reliably get online, there is an acceptance that their own habits have changed, with a decreasing reliance on sending and receiving letters but a greater dependence on parcels. Digitally excluded participants also recognise this trend from observing their friends and family. As such, all accept that the USO can and should change to accommodate the populations current needs.

All participants hope any changes to the USO will protect the Royal Mail for the future. In particular, they want to ensure it can continue to run as an essential service: providing a service for both letters and packages for those who need it no matter where they live. This is most important for those regularly receiving essential letters, who will be significantly impacted if changes make post less frequent or more expensive. Participants also hope – but do not expect – that any changes will lead to improved services and more efficient deliveries.

"I think there does need to be changes to it to allow for financial sense for the Royal Mail, whether that is decreasing delivery days in terms so there's more post to be delivered... But then it raises the question of how do you get important mail there if it needs to be next day delivery and things like that."

– Remote rural area, 27, Online

Concerns centre around affordability, with participants expecting changes could impact the price of sending and receiving letters in two ways. There is a worry that the cost of sending letters might increase significantly to subsidise a service that is reliable, regular and equal across the UK even with a smaller volume of letters sent. Some also worry that if the Royal Mail is given permission to deliver worse service, people will be less likely to use it therefore increasing the cost for those who are forced to rely on it.

There is also a concern that lowering expectations of how often and reliably royal mail has to deliver letters might lead to job losses at Royal Mail. In particular, many fear that changes to the USO might lead to their local postie forced to reduce their hours or losing their job entirely. This is especially concerning to this audience, since many see their postie as playing a key role within their community.

"In terms of like the economy, there's a lot of good jobs that keep people in a local area through the Post Office. So I wouldn't want to... to see them go."

– Remote rural area, 28, Online

8. Participants' views on the potential changes to the USO

Summary

Participants are content to accept small changes to the USO. They expressed a preference for lowering deliveries to 5 days a week which they felt would have few impacts and accept up to one additional day of delay in the speed of service. They also are happy with a small decrease in Quality of Service targets but consider a drop to 80% excessive.

Participants feel that removing Saturday deliveries would only have a limited impact on their life. But while lowering deliveries to 5 days a week has few impacts, a move to 3 or 2.5 deliveries a week causes concern and would impact participants' ability to use post. A move to deliveries 2.5 days a week is also considered especially confusing. Slight reductions in speed of delivery are acceptable, but anything beyond one additional day is seen to greatly decrease the level of service. Participants feel a small decrease in Quality of service targets would have little impact, but a drop to 80% is considered excessive and would significantly impact reliability.

The Royal Mail proposal is considered broadly acceptable, but concerns around delivery frequency remain and participants still feel this would negatively impact them.

8.1 Views on Ofcom's proposed changes

Participants were shown the potential changes proposed in Ofcom's call for input³. Changes were grouped according to those related to frequency of delivery, speed of delivery, and Quality of Service targets.

When assessing proposed changes to the USO, participants primarily consider the impact of each on the service they can expect from the Royal Mail and in turn the impact this will have on their lives and their community. They are less concerned with the impact each change might have on Royal Mail's finances or its impact on the environment.

Changes to the frequency of delivery

Ofcom has suggested two potential changes:

- Lowering the number of delivery days to 5 days (removing Saturday). Parcels would still be delivered on Saturdays.
- Lowering the number of delivery days to 3 or 2.5 days a week. 2.5 days a week would mean delivery Monday, Wednesday, Friday one week and then Tuesday, Thursday the next.

³ <https://www.ofcom.org.uk/siteassets/resources/documents/consultations/category-1-10-weeks/275790-call-for-input-the-future-of-universal-postal-service/associated-documents/the-future-of-the-universal-postal-service/?v=330780>

Removing Saturdays

In principle, most participants are content with a slight reduction in delivery days by removing Saturday as a delivery day for second class post. Although there is some concern this might impact other small businesses negatively, very few think this change would have a significant impact on them in any way.

Moving to 3 or 2.5 days a week

More substantial reductions in delivery days to either 3 or 2.5 days a week for second class post are met with concern. Overall, participants dislike the idea that postmen and women would regularly only hand them first class post or parcels on non-second class delivery days. This raises questions about how second class post would be stored, as well as concerns about letters getting lost.

Participants express concerns that lower delivery frequency could lead to people waiting an especially long time for their post if mail has been sent before a weekend. Some note that this, when combined with a reduction in QoS targets, might result in rural consumers likely having to wait over a week for second class letters, and even longer on the Islands. Waiting this long is a situation they deem unacceptable.

"If I'm waiting for something and I know it could come every day [as of] now, but then it might only come every third day or something... That would worry me a little bit. If somebody said, oh, we'll send that out, but it'll be there in four days or three days. That worries me."

- Remote rural area, 49, Digitally excluded

Potential impacts of moving to 3 days a week

This potential change causes the most concern for the following people, and the following types of post:

- Those who are digitally excluded.
- Those who run a small business.
- Those who prefer offline record-keeping.

These groups are most likely to be receiving important and time-sensitive post concerning their finances or business dealings. They note that receiving letters less frequently could lead to issues in planning their finances.

"If you're running a business or something, you need post coming in and out with documents and everything; then it's not going to be easy to manage if you're only getting post two days a week."

- Remote rural area, 24, Online

All participants worry about the impact on health-related post such as NHS letters about appointments or test results. They worry this would lead to people missing appointments or waiting longer than necessary to hear important health updates. As many participants live far from hospitals or specialist care, this can have significant knock-on impacts in terms of planning and paying for a long journey (i.e. fuel costs, and in some cases, accommodation).

Potential impacts of moving to 2.5 days a week

When thinking about a reduction in delivery days to 2.5 days per week, participants offer a strong objection. They expect that different delivery days each week would make it exceptionally confusing to keep track of when they can expect important letters, or when they need to post time-sensitive letters to ensure they get to their destination in time. They feel that it will make it harder to plan around important or time-sensitive post being delivered, and have a knock-on impact around things like financial planning and sending birthday cards.

"I definitely think the 2.5 days would just be too confusing. [It's] just like the council changing all the recycling days - nobody has their rubbish out on the right day, folk would be waiting a long time if they get their weeks mixed up."

- Very remote rural area, 68, Online

In addition to concerns about the impact of significant changes to their own lives, participants also express concern about the impact of fewer delivery days on their communities. Participants worry that a reduction to 3 or 2.5 delivery days will lead to a reduction in working hours and pay for their local postie, or even job losses. They also fear that less regular visits from a postie will have a negative impact on the most lonely or vulnerable in their communities, who rely on this important connection to the outside world.

"The impact that a reduced service would have on isolated people, whose only in person contact is with a postie on a daily basis, [is important]."

- Very remote rural area, 57, Online

Changes to delivery speeds

Ofcom has suggested two potential options to move most letters currently sent using First Class to Second Class:

- Removing the obligation to offer First Class service, or making First Class closer to special delivery by increasing the price.
- Keeping First class, and lowering the delivery speeds to 2 working days for First Class and 5 working days for Second Class.

Participants are open to slight reductions in delivery speeds for both first and second class letters.

- Lowering delivery speeds from one to two days for first class mail is considered acceptable. Participants feel this would have little impact as most already allow two days for their first class post to arrive, or assumed this was already the case.
- Participants are also open to lowering the delivery speed of second class letters to four days.

Areas of concern for participants surround:

- A move to five day delivery speed for second class post is considered unacceptable, as participants expect this would mean post would typically take a week to arrive, an option which does not feel particularly useful.
- Removing first class post or making it more expensive is also concerning. Most like having the option of first class to help ensure a faster speed or more reliable service. Talk of raising prices in any context also raises alarm amongst this audience.

"I wouldn't be bothered if first class disappeared as long as the signed for delivery, within 24 hours, before 1pm - all these different options for next day delivery- weren't exorbitant, if they were affordable for something that needed to be there urgently. And then everything else was second class... But it's a mockery, making first class within two working days and charging almost double [than] what it is for second class."

- Remote rural area, 77, Digitally excluded

When thinking about the principle of Royal Mail slowing delivery speeds, participants are most concerned about the impact on financial, business and health-related post. They are also concerned about legal and formal documentation which, although rare, is often urgent. They worry that sending this time-sensitive post will require more further planning. This is especially a concern to those who claimed to be disorganised or forgetful, and those who experience barriers getting to the post office due to poor health, disability, or access to transport. As a result, they emphasise the importance of maintaining an affordable and reliable method for sending post quickly when needed.

"I rely on the post for receiving and sending post, and if the Royal Mail would reduce [speeds to 5 working days], I would have to consider sending my mail earlier to ensure that it got there at a reasonable time."

- Accessible rural area, 57, Online

Changes to Quality of Service targets

Royal Mail targets are higher than other European countries. Ofcom suggests bringing them in line with other countries:

- Royal Mail could reduce the Quality of Service (QoS) targets for First Class mail to 80%.
- This means most first class items would continue to arrive the day after they are collected.
- This gives Royal Mail more flexibility to process and distribute some items slower.

QoS targets refer to targets Royal Mail must meet when it comes to how much post is delivered within the specified timeframes for first class and second class mail.

A small decrease in QoS targets – from 93% to 90% for first class post, and 98.5% to 95% for second class post – is broadly considered acceptable to improve Royal Mail's financial sustainability. Participants feel they are unlikely to feel any substantial impacts from this change. They recognise that the vast majority of post would still arrive on time, and are willing to flex on these targets to allow Royal Mail, to deliver some post more slowly when needed. The potential environmental savings also make this change feel more reasonable.

However, participants are not comfortable with a reduction of the targets to 80%. This decrease feels to them like a significant decrease in the level of service they receive, while costing them the same amount of money. Participants raise concerns about how the 20% of missed targets would be spread throughout the country, and expect it to affect rural areas more than towns, as it is harder for Royal Mail to deliver in these areas. They therefore expect to be unfairly impacted by this change, and to notice a significant change in the service they receive.

Those who are currently experiencing challenges around reliability, especially those living in the isles or very remotely, feel particularly concerned about this potential change. They expect to feel knock-on impacts around how quickly post is delivered, especially when taking into account the suggested changes to delivery speeds.

This change is seen to impact financial, business and legal post the most. Participants also feel it would negatively impact the reliability of expensive post and personal correspondence – with greater uncertainty around delivery speeds and concerns that delayed post could be lost.

"My initial thought is...that will give them an excuse to not bother about the rural people and we'll just be the ones that take the 20%, and they'll still deliver to London and Glasgow and all the easy places to deliver to. And the people that are slightly more difficult will be the ones that get hit with the reduction in service. [...] Don't throw rural people under the bus to make your targets better."

- Very remote rural area, 43, Online

Participants feel that these changes would have the most impact on people who receive a high volume of letters, such as small businesses and digitally excluded people, and would be more likely to notice the 20% of post missing targets.

Some participants also question whether this new target is realistic, as Royal Mail's current performance is lower than the proposed 80% target.

8.2 Views on the Royal Mail option

In 2024, Royal Mail outlined the following proposal:

- First Class letters will continue to be delivered 6 days a week.
- All non-First Class letters to be delivered every other weekday.
- Aligning the delivery speed of pre-paid and freepost with Second Class, so it arrives within three weekdays instead of two.

New Quality of Service targets:

- 90% of First Class mail to be delivered the day after it is collected (down from 93%).
- 95% of Second Class mail to be delivered three days after it is collected (down from 98.5%).

Participants say the changes to the USO proposed by the Royal Mail are broadly acceptable. While they are concerned about some elements, they feel this proposal would deliver a reasonable level of service, while allowing more financial sustainability and limiting environmental impacts. It also avoids some of the less appealing options outlined by Ofcom.

Participants are happy with both pre-paid and second class post arriving within three workdays. This feels like a reasonable area for flexibility, and saves Royal Mail money with lesser impacts on health and financial post than other proposals addressing delivery speeds.

The suggested QoS targets are also considered broadly acceptable, as participants feel confident that the vast majority of post would still arrive on time. Some also say this feels like a better compromise when compared to reducing delivery speeds for both first and second class post (as outlined in the options given by Ofcom).

It's important to note that concerns about a reduction in delivery dates remain. Participants appreciate that first class letters would continue to be delivered six days a week, which they think will help ensure sensitive or important letters are not held back. But receiving post every other day is still concerning, as participants worry about its propensity to create confusion. Many seem content to accept a reduction to three delivery days in this context, if it avoids a 2.5 day scenario. This is partly due to participants misunderstanding that receiving post every second day in this proposal would mean receiving post 2.5 days a week rather than 3 (across 5 days of deliveries in this new proposal rather than 6).

Although most participants hope these changes to the USO will enable Royal Mail to deliver better outcomes, they do not feel confident it will. Concerns about rising stamp prices and poor service in rural areas leave some doubt in the postal service being affordable and reliable in the future.

It should be noted that a small minority of participants feel these changes will cause them significant difficulty or inconvenience. However, this group are resigned to the need for change to ensure the service remains viable so broadly accept the proposals as outlined.

9. The targeted scheme

Summary

Across the board, low-income rural participants want the price cap to be maintained to keep post affordable. They worry that a targeted scheme would struggle to actually reach those who need it the most. Some also note it has the potential to be stigmatising depending on how it is claimed. Participants therefore do not see the targeted scheme as an appropriate replacement to a targeted scheme.

9.1 Views of the price cap

Awareness of the price cap for second class stamps was very low. However, on learning more participants saw it very positively, as making the postal service more accessible and affordable. In the context of wider affordability issues and price increases, participants want to be reassured that the cost of second class stamps will be kept at an accessible price.

9.2 Views on a targeted scheme

When it comes to the targeted scheme, many participants respond with some apprehension about how it would work in practice to ensure it is successfully reaching the right audience.

Participants worry about how eligibility to the targeted scheme will be decided, particularly questioning how 'low-income' will be categorised. Some worry that a scheme that targets only those on the very lowest incomes (e.g. those not in work) who might have very little need for post, would miss out on those who might have a slightly larger income but still have a significant struggle to pay for post that is essential (e.g. someone operating as a sole trader). Hypothetical scenarios like these call into question the legitimacy of a targeted scheme to help the people who would truly need it.

Many also express concerns that the process for proving eligibility for a targeted scheme might lead to stigma. They question what information would be required from individuals to fully prove they need discounted stamps, and how they would need to provide it. In particular, expectations that you might need to prove eligibility in a public setting like a post office, cause participants to question if individuals would even be comfortable claiming the benefit.

"Doesn't that feel, you know, sort of uncomfortable? The process of buying stamps. You're in a queue, whether that be in a supermarket or a post office."

And you're not gonna want to be saying, I'm on benefits... can I have a reduced stamp?"

- Very remote rural area, 56, Digitally excluded

Finally, participants note that for any targeted scheme to be acceptable, special care would need to be given to ensure that the process of applying for the scheme is accessible for those who are digitally excluded, older or living with a disability.

"People won't apply for it. It'll be a long, drawn-out process to actually apply for it, [and would] probably need to be done online. The people that are most vulnerable are the people that can't do that."

- Remote rural area, 49, Digitally excluded

10. Conclusions

Parcels and letters are considered essential to rural participants living on low incomes. Although not everyone is receiving essential post regularly, they all have specific moments where it is absolute vital to their financial, health or social wellbeing. It also plays a vital role in supporting small business (and other activities to supplement low incomes) by enabling the sending and receiving of invoices and government documents and the sending of products via parcel. Participants also emphasise the important role the postal service plays in their community, with postmen and women acting as a check on those who might be elderly or more vulnerable and spreading important news and information.

For all these reasons, participants say it is vital to have an affordable and reliable postal service, something which they do not feel is currently consistently delivered. Many speak about delays in receiving important expected mail resulting in difficulties planning their finances or appointments and the problems associated with sending time-sensitive post from rural areas. While options outside of second class can be difficult for many to afford, particularly for those who use the postal service a lot, some do still feel they have no choice but to pay for first class or recorded delivery to ensure reliability.

Participants hope that the proposed changes to the USO will protect the Royal Mail for the future, particularly its obligation to offer the same prices across the country and its commitment to delivering regularly to remote and difficult to reach addresses. Many of the proposals for change, including the Royal Mail's own proposals, are considered broadly reasonable reflecting the less consistent but still important role post plays in participants lives.

However, some key proposals are rejected. Specifically, there are significant concerns around the following proposals:

- A move to 2.5 delivery days which feels confusing, and too infrequent.
- The suggestion of removing or significantly increasing the price of first-class stamps, as participants still want the option to pay more to send post quickly when necessary.

More broadly, these changes are seen as part of a general worsening of provision of services to rural parts of the country, making life more difficult particularly for those living on low incomes.

Some also express concerns that worsening provision will lead to a reduction in hours or job losses for the people who work for the postal service in their local area. Protecting the job of their local postie is something many participants feel strongly about.

Finally, protecting affordability for everyone, as a safety net, is key for this audience. Participants overwhelmingly want to keep the price cap rather than move to a targeted scheme, to ensure that nobody slips through the cracks unable to afford essential and important post.