

AAVSA – 14/07/2026 – PO Report

I believe in the broad thrust of direction coming from the new Post Office Ltd (PO) management team. Even without the challenging market we are operating in, it would be a formidable task to turn around more than two decades of direction that has decimated the lot of post office businesses. - losing government services, halving the number of post offices and reducing our incomes.

Having said that I think that there is a disconnect between regarding the Post Office as commercial enterprise and the proven social value of the post office network.

The Post Office should not be seen only as a commercial business. It also provides significant social value, particularly in rural areas where the post office is often the only local shop and an important part of the community. Any future strategy needs to recognise both its commercial role and its wider public value. Many rural post offices are the only retail outlet in their area, making their sustainability crucial for local economies and social connections. Post Office modernisation programs favour urban areas rather than rural area and Test Valley is essentially rural.

Over the last year there have been changes to remunerations, some good some not, increasing workloads more than ever before, for less money, Drop & Collect outlets, digital post boxes and a changing parcel market. Parcels and banking are the two major drivers of business for post offices. The parcel market has undoubtedly changed. Customers increasingly use online marketplaces such as Vinted, eBay and Amazon and these platforms are extremely price sensitive, able to move volumes between carriers with remarkable speed. At the same time, lower-cost parcel shop networks continue to expand, parcel lockers multiply and Royal Mail's investment in Collect+ creates an extremely competitive

Moving on to our Abbots Ann Post Office: our always busy Post Office. In comparison, to other rural post offices our community traditional fortress style post office does well in financial terms. Weekly and sometimes daily operational changes for the Post Office staff have always been the norm but over the last years the pace and number of changes have increased given the modernisation of post office business and that fast-changing competitive market. Post Office Ltd tracks our operational, sales, compliance, stock and cash management holdings with a percentage payment for performance. Our Post Office has a 100% record in this regard.

The Post Office team is in good heart and continues the important job of providing excellent service and bringing customers to our community business. We have welcomed Henry to the team of John and myself and said farewell to Judeth along with our heartfelt thanks to Judeth for her sterling service.

My thanks to our Shop Committee, all volunteers, who devote many, often unseen, hours for their support, to shop colleagues, to the Post Office team and to all our customers who contribute so much to the success of our business.

Maureen