

## **BRECKLAND COUNCIL**

### **REPORT OF EXECUTIVE MEMBER COMMERCIAL SERVICES**

**CMT 09 JANUARY 2008, EXECUTIVE BOARD 21 JANUARY 2008, OSC 24<sup>TH</sup> JANUARY 2008, CABINET 12 FEBRUARY 2008**

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#### **POST OFFICE NETWORK CHANGE PROGRAMME – CONSULTATION RESPONSE**

Following Post Office Ltd's decision to review the Post Office network earlier in 2007, Overview & Scrutiny Committee recommended to Cabinet in September 2007 that all ward members should be informed of the proposed changes and should advise on the viability and needs of local post office services in their areas. This would be collated into an evidence base that could be used in any communication or lobbying effort to Post Office Ltd (POL). This report outlines these results and makes a recommendation on how to present the results to the POL and Postwatch.

#### **1. BACKGROUND**

- 1.1 Members will be aware that the Government has recognised the need to modernise and reshape the post office network against the backdrop of falling customers numbers, decline in traditional services, changing consumer behaviour and rising losses. The government has asked POL to review the network in light of these issues. POL subsequently announced that it will implement a closure programme of 2,500 branches (out of 14,300 currently) within minimum access criteria. (See Appendix 1 for further background on the proposed Network Change programme).
- 1.2 On 27th September 2007 Overview & Scrutiny Commission reviewed how POL were going to implement the changes to the network and also received a presentation from Postwatch. At that meeting a recommendation was made to Cabinet that a letter should be sent to all members of the Council advising them on the impending changes and possible closures and to also ask them to feedback the current situation, viability, usage and any other associated issues with post office service delivery in their wards. On 9<sup>th</sup> October 2007 Cabinet subsequently agreed to the Commission's recommendation and agreed that the Economic Development service would lead on this project.

#### **2. KEY DECISION**

- 2.1 This is not a key decision.

#### **3. COUNCIL PRIORITIES**

- 3.1 The matter raised in this report falls within the following Council priorities:
  - A well planned place to live which encourages vibrant communities
  - A prosperous place to live and work

#### **4. CURRENT POSITION**

- 4.1 POL commenced their closure programme in various parts of the UK in October 2007. The programme will involve the average of four closures in every parliamentary

constituency; with all closures taking place in 2008. The programme involves grouping closure proposals into area plans. Each area plan comprises of a number of parliamentary constituencies and are subject to the six week public consultation. The first three area plans in Kent, East Midlands and East Yorkshire started in October 2007 in which 180 post offices were proposed for outright closure and another 35 to be replaced by 'outreach' services.

- 4.2 Breckland will be part of the Norfolk and West Suffolk area plan which will be made available for public consultation on the 26<sup>th</sup> March 2008 for a period of six weeks. The period until March will be the 'pre consultation' period where organisations such as district councils should liaise with POL and Postwatch to highlight information about local areas.

## **5. PROJECT ACTIVITY**

- 5.1 **Survey** – A survey was issued to all ward members and parish council's along with a briefing sheet and a covering letter from the Leader. This was an online survey consisting of nine questions. Out of 159 issued surveys 40 responses were received by the deadline on 30 November 2007. (See appendix 2 for a copy of the questions) An analysis of the results has been undertaken, see Appendix 3. In addition to the survey a number of letters have been received pleading for local rural post offices to remain open. Notably 19 letters of support have been received for Garboldisham post office via Councillor Fisher.
- 5.2 **Petition** – An online petition was posted on the Council's website and citizens were made aware of this petition via the survey covering letter to members and parish councils and via two editions of Voice. 616 signatures have been received.
- 5.3 **LDF Consultation** - It was recommended to use the LDF to assist in the gathering of information / consultation. However the Environmental Planning Manager was unable to include the post office consultation because the preferred options document forms part of the evidence to submit to the inspector. Also the Development Plan regulations would not allow consulting on non LDF issues within the same document. A separate leaflet could have been inserted in the envelope to all parish councils however as the actual survey was issued to all parish councils this would have been duplication.

## **6. PARTNER ACTIVITY**

- 6.1 **Norfolk County Council** – took a coordinating role on behalf of the County and District Councils. We assisted in updating the joint database with known post office's but did not visit all the post offices in Breckland as the County originally requested. Apart from monitoring the situation the only other main activity that the County Council is doing is preparing a list of 'no go' post offices, i.e. a list of post offices throughout the County that they will submit and suggest should not be closed. Breckland Council has declined to be involved in this submission.
- 6.2 **Norfolk Rural Community Council (NRCC)** – has been very active contacting and offering advice to parish councils. NRCC last contacted all parish councils in September 2007 to inform them of the facts about the change programme. NRCC has also met with the Director for Network Change at the POL and believe the level of closures is likely to be within the region of 17% in each area. The Director has also confirmed that POL will be taking into account situations where the closure of a post office will severely affect the closure of another integral business.

## **7. OPTIONS AVAILABLE**

- 7.1 **Option 1:** Now that the research has been undertaken and there is evidence to present to POL and Postwatch the Council is now in a position to submit a response during the pre-consultation stage. Therefore this option is to conclude this project by writing a statement to POL and Postwatch on behalf of the residents of Breckland outlining how it is against post office closures and include the evidence that has been gathered. If members want to take this option they are asked what 'strength of feeling' the letter should take? For example is the Council against all closures or would the Council specifically want to save the post offices in the LDF service centre villages? If this option is taken it is also suggested that the results of the survey are published on the Council's website. It is also suggested that delegated authority be provided to the Executive Member for Commercial Services or the Leader to agree and sign the letter.
- 7.2 **Option 2:** The Council can publish the results on the Council's website, but not lobby POL / Postwatch and not take any further action.

## **8. REASONS FOR RECOMMENDATION(S)**

- 8.1 **Option 1:** Clearly the closure of any post office will be a loss to that community, and this will be felt even harder in rural communities as the survey results suggest. Although there will be an economic impact, the loss of jobs will not be as great as the loss of a community service. In rural areas, such as Breckland the post office income usually supplements a retail income such as a grocery or newsagent. It is possible that without the post office the remaining business is not viable and could close. The knock on impact of the loss of not just a post office but also the local shop could be severe in rural areas.
- 8.2 In its community leadership role Breckland Council has undertaken activities and publicised these activities to support lobbying efforts to keep post offices open. It is unclear as to the impact or success any lobbying campaign will have but this should not detract from the Council's endeavours to secure successful outcomes for our communities. As more information from the consultation becomes available Members will be made further aware for their consideration.
- 8.3 **Option 2:** By taking this option the Council has still fulfilled a non-statutory obligation to become involved in the consultation of the Post Office Network Change programme, but will not commit to a formal lobbying effort in writing. Electorates will still be aware of the Council's activities as the information and results from the survey will be published on the Council's website.

## **9. RISK**

- 9.1 (Risk Option 1) I have completed the Risk Management questionnaire and this report does not require a risk assessment because the changes/issues covered by the recommendations are not significant in terms of risk. There are no known risks associated with option 1 in this report. Option 2 could carry a risk as the letter to the ward members and parish councils stated that Breckland Council would make a submission on behalf of the Breckland residents.

## 10. **RECOMMENDATIONS**

It is recommended that the Council furthers its lobbying activity by providing guidance on the content of the letter / statement to POL / Postwatch and agreeing to Option 1 in this report which can be facilitated by the Economic Development service.

## **APPENDICES**

Appendix 1 – Post Office Network Change Programme – Further Background & Criteria

Appendix 2 – Breckland Council Post Office Survey Questions

Appendix 3 – Breckland Council Post Office Survey & Petition – Results & Evidence

Appendix 4 – 3 mile radius map of Breckland Post Office network

Where appropriate, this report has taken account of the need for compliance with

- The Council's Equal Opportunities Policies
- Section 17, Crime & Disorder Act 1998
- Human Rights Act 1998
- Section 40, Natural Environment and Rural Communities Act 2006

## **APPENDIX 1**

### **POST OFFICE NETWORK CHANGE PROGRAMME - BACKGROUND**

The Government has recognised the need to modernise and reshape the Post Office network against the backdrop of falling customers numbers, decline in traditional services, changing consumer behaviour and rising losses in the network, now at £4m a week. In May 2007 the Government announced:

1. The proposed closure of up to 2,500 branches (out of 14,300 currently)
2. The introduction of minimum access criteria in respect of the remaining branches.
3. Future Government support funding for the network.
4. The introduction of 500 'outreach' branches.

Post Office Ltd is required to maintain a network against the following minimum access criteria:

1. 99% of the population to be within 3 miles and 90% of the population to be within 1 mile of a Post Office.
2. 99% of the population in deprived urban areas to be within 1 mile of a Post Office.
3. 95% of the urban population to be within 1 mile of a Post Office.
4. 95% of the rural population to be within 3 miles of a Post Office.
5. For each postcode district, 95% of the population of the postcode to be within 6 miles of a Post Office.

Post Office Ltd is also required to take into consideration the physical environment, availability of public transport and alternative access to key services, local demographics and the impact on local economies when reviewing the network.

Government are expecting Post Office Ltd to implement the changes during an 18 month period. Post Office Ltd has divided the country into 50 district areas for which there will each be a local plan to implement the changes. Each local district area will be subject to a detailed planning process through which the future of the Network proposals will be developed which will be subject to consultation before implementation.

Throughout the planning and consultation process, Postwatch the independent watchdog for the postal service will scrutinise and comment on the Post Office Ltd's proposals.

**APPENDIX 2**  
**BRECKLAND COUNCIL POST OFFICE – SURVEY QUESTIONS**

(to be complete online at [www.breckland.gov.uk/members\\_post\\_office\\_survey](http://www.breckland.gov.uk/members_post_office_survey))

**1. Please select the Post Office you wish to comment on** (a drop down list of Post Office's was provided)

**2. How are Post Office services delivered?**

Main Post Office  
Sub Post Office  
Post Office in a shop  
Part time Post Office service  
Post Office in a pub  
Post Office service in a village hall  
Post Office delivered by volunteers  
Visiting staff from other Post Office (outreach service)  
Other

**3. What are the consequences for the local community if this Post Office closed?**

Residents would be unable to access postal / banking services  
Residents would be unable to access any other Post Office service  
Residents would lose a social place to meet people  
Residents would be unable to obtain important information and advice  
Residents' quality of life would be affected for the worse  
other

**4. How will the local community be affected if this Post Office closed?**

Very positive impact  
Positive impact  
No impact on the community  
Negative impact  
Very negative impact

**4. Describe the strength of impact on residents of the closure of this Post Office**

Very positive for the area  
Positive for the area  
Neither positive or negative for the area  
Negative impact  
Very negative impact

**5. On average how many customers does your Post Office serve in a week?**

1-10  
11-50  
51-100  
101-200  
201-300  
More than 300

**6. Over the past 3 years has the number of customers...**

Increased  
Stayed the same  
Decreased

**7. How do most residents travel to this Post Office?**

Walk  
Car - driver  
Car - passenger  
Bus  
Bicycle  
Train

**8. What is the likely economic impact of Post Office closure?**

Loss of jobs  
Loss of retail outlet  
Unlikely to find alternative location for Post Office  
Other

**9. What are the aspirations the Postmaster/Postmistress or person who deliver your Post Office service?**

To continue with existing business  
To seek other local employment  
To retire

End

**APPENDIX 3**  
**BRECKLAND COUNCIL POST OFFICE SURVEY & PETITION (NOVEMBER 2007)**  
**RESULTS & EVIDENCE**

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## **1. INTRODUCTION**

In November 2007 Breckland Council issued a questionnaire to all its ward members and local parish council's inviting them to take part in an online survey to provide feedback on the post office delivery situation in their area. The aim of the survey was to gather a district wide evidence base on which could be used to support any communication with Post Office Ltd during their forthcoming consultation on the national Network Change Programme, and specifically the situation in Breckland, Norfolk. A total of 159 surveys were issued.

Breckland Council also issued a petition on its website and in its community magazine asking local residents to support the campaign to call on the government to stop post office closures in Breckland and to safeguard local post office services. The petition was open for approximately eight weeks and was only advertised twice in the Breckland Council local community magazine. There was an online petition that could be signed and a coupon that could be signed and sent in to the Council.

The following represents the results that can be determined from the survey and the results of the petition.

## **2. SUMMARY**

Clearly the closure of any post office will be a loss to that community, and this will be felt even harder in rural communities. In addition to the economic impact of a local business closing and the loss of jobs, there is the greater loss of a community service. In rural areas, such as Breckland the post office income usually supplements a retail income such as a grocery or newsagent. It is possible that without the post office the remaining business is not viable and could close. The knock on impact of the loss of not just a post office but also the local shop would be severe in rural areas. Without these basic facilities and services in our villages there is a severe risk that younger people will not be attracted to these communities and therefore village schools could ultimately suffer and close.

## **3. PETITION**

The petition asked local residents if they could afford to lose their local Post Office service? It asked residents to sign the petition to support the campaign to call on the government to stop post office closures and specifically in Breckland.

198 signatures were received via the online method and a total of 418 signatures were received in writing making a total of 616 signatures.

## **4. SURVEY**

### **4.1 HEADLINE RESULTS**

- 25% response rate (40 responses were received from a total of 159 issued surveys).
- 43% of post office service entities were commented on (24 out of 56 separate entities).
- 75% of post office services are delivered in another or existing business.



- 93% of residents would be unable to access an alternative post office service if their local post office closed.
- 88% of Breckland resident's quality of life would be affected for the worse.
- 73% of Post Offices in Breckland have experienced increasing customer numbers in the last 3 years.
- 73% of residents in Breckland walk to access their post office service.

#### **4.2.1 POST OFFICE SURVEY DELIVERY**

There are 56 separate entities delivering post office services in Breckland and 75% of post office services are delivered within another or existing business i.e. a village shop. With such a large number of post office services being delivered within another business the viability of the other business is likely to be threatened by the closure of the post office service due to the loss of income for delivering those post office services. Consequently the closure of a post office could affect not only one but two or more vital services for the community. The remaining post office services are delivered as Sub-post offices or main post offices.

There are a very limited number of post office services that are delivered in an alternative method such as an outreach service or by volunteers etc.

*Case Study: One notable example is in the village of Mileham where at the beginning of 2006 the local shop and post office was on the verge of closing due to the original owner's personal circumstances. The local villagers, with support from the Norfolk Rural Community Council succeeded in setting up one of the first retail Community Interest Companies in the country and took over running the shop and post office within a record six weeks. The shop is now thriving and the business is looking to employ more staff, sell more local produce and refurbish the premises. The closure of this Post Office would set back the hard work of the community over the last year and have severe consequences on the customers it serves.*

This demonstrates that local rural communities will rise to the challenge of finding alternative ways of providing services in their areas but with only a limited number of actual cases it is difficult to understand how an alternative network through an 'outreach' service can be implemented. Difficulties arise with obtaining the community support, finding suitable secure premises and a main post office that will run the outreach service, if it is viable.

#### **4.2.2 CLOSURE CONSEQUENCES**

The survey discovered that 92.5% of local users would be unable to access any postal or banking services if their local post office closed. In addition 90.0% would be unable to access any other post office service at all. Breckland is a very rural area which is sparsely populated and there are pockets of rural and urban deprivation. Low incomes and a public transport service that is difficult to deliver (making it severely inadequate) consequently makes the post office service in rural communities a vital lifeline and a primary service for many. The survey also found that 87.5% of people's quality of life would be affected for the worse. A majority also stated that people would be unable to obtain important information and advice.

#### **4.2.3 CUSTOMER NUMBERS**

Although it is known that Post Office Ltd is losing £200 million per year (2006/7 figures) and that there are four million fewer customer visits every week compared with two years ago the local trend is very different. In Breckland 57.5% of post offices have more than 300 customers a week. This was by far the greatest majority. In fact 70.0% stated that their local post office received over 200 visits per week and 82.5% stated that their local post office received over

100 visits per week. 72.5% of respondents also commented that the numbers were increasing with only 10% stating they had decreased. These results go against the national trend and further demonstrate the vital need for these services specifically in rural areas.

#### **4.2.4 TRAVEL & SUSTAINABILITY**

With over 72.5% of respondents stating that residents in their local areas walk to their post office service it is very difficult to understand how the Post Office Ltd standard minimum access of criteria of 95% of the rural population will be within 3 miles of their nearest branch will be applied. If the nearest post office is 3 miles away with so many people currently accessing the service by foot it is clear that these criteria should not be used rigidly under any circumstances during the Post Office Ltd's considerations. Further post office closures will therefore ultimately cause people to rely on motorised transport which goes against the national policy of reducing carbon footprints to ensure there is a sustainable environment for future generations.

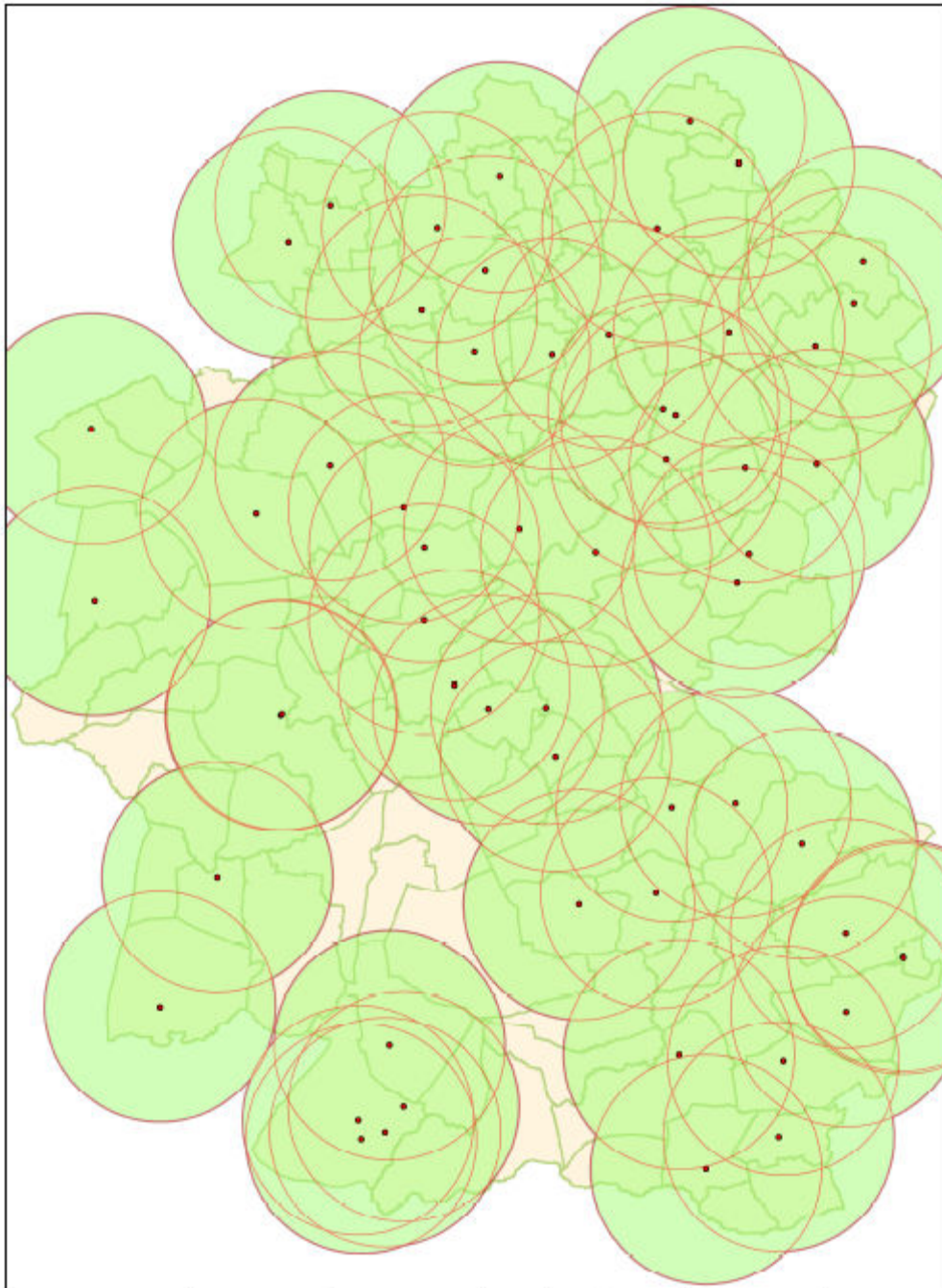
#### **4.2.5 CLOSURE IMPLICATIONS**



The survey discovered that in 70.0% of cases there would be a loss of employment in the area if the post office closed. Also 75.0% stated that there would be a loss of a retail outlet, and 60.0% stated that it would be difficult to find alternative locations for a post office service. 77.5% stated that their postmaster/postmistress would continue delivering the existing business if the post office closed and 17.5% would have to find alternative employment or would retire. Post Office closures in rural areas would result in the following:

- The lost of an important and integral role in the fabric of village life.
- The elderly population would be unable to access any post office services.
- Increasing the deprivation score as those on low incomes would be further incapacitated to access a local service.
- Many local businesses depend on their local post office service.
- A Post Office is seen to be an integral part of another business such as a village shop which is likely to be threatened.
- The closure of any Post Office in Breckland would cause hardship.

End

**APPENDIX 4**  
**3 MILE RADIUS MAP OF BRECKLAND POST OFFICE NETWORK**



<b>Breckland Council</b>  Elizabeth House Walspole Lane Dereham NR19 1EE Tel: 01362 66870 - Fax: 01362 660267	<b>Title</b> ??? ??? ???		<b>Scale</b> 1:152,216	<b>COPYRIGHT</b> This map is reproduced from Ordnance Survey material with the permission of Ordnance Survey on behalf of the Controller of Her Majesty's Stationery Office © Crown copyright. Unauthorised reproduction is illegal. Crown copyright and may need to be reproduced or used in meetings. Breckland District Council. Version No. 1201/15/15. Published 2015.
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