

SCRUTINY COMMISSION – 19 DECEMBER 2007

REPORT OF THE CHIEF EXECUTIVE

POST OFFICE NETWORK CHANGE PROGRAMME – PROPOSALS FOR LEICESTERSHIRE, NORTHAMPTONSHIRE AND RUTLAND

Purpose

1. The purpose of this report is to outline the proposed changes to the Post Office network in Leicestershire and the implications thereof. The proposals are currently the subject of a 12 week consultation closing on 10th January 2008.

Background

2. In May 2007 following a national public consultation, the Government announced a range of proposed measures to modernise and re-shape the Post Office network to put it on a more stable footing for the future. This was due to fewer people using Post Office branches because traditional services such as benefit payments and other services were now available in other ways such as online or directly through banks. The conclusion was that the overall size and shape of Post Office branches needed to change. The Post Office has now put in place a Network Change Programme to implement the measures proposed by the Government. Appendix 1 to this report is the Area Plan Proposal for Leicestershire, Northamptonshire and Rutland.

Summary of the local area plan

- 3. The proposed future network in the Leicestershire, Northamptonshire and Rutland area comprises:
 - 126 branches in urban towns and cities:
 - 192 branches in rural areas.

The Post Office Limited says: "If the proposed changes take place...more than 99.2% of the population will see no changes to the branch that they currently use or will remain within one mile of an alternative outlet."

- 4. The Post Office Ltd is proposing to:
 - retain 133 Post Office branches across Leicestershire;
 - close 16 existing branches;
 - establish five outreach service points, which could use innovative ways to continue to provide Post Office services in some areas where the existing branch is proposed for closure. Of these two are proposed to be hosted outreach services at:
 - Somerby Branch: from the existing location, offering the same range of services and facilities and for 8 hours a week;
 - Tilton on the Hill Branch: from the existing location, offering the same range of services and facilities and for 10 hours a week.
- 5. Following the consultation period Post Office Ltd will work to finalise arrangements for outreach services. Possible types of outreach service in the area could include:
 - a mobile service visiting small communities at set times;
 - a hosted service operated within third party premises for restricted hours each week;
 - or a partner service within the premises of a local partner (such as a pub landlord).

County Council support for Post Offices

- 6. The County Council has a strong track record of supporting post offices on an individual basis and of responding strategically to closures across the County. Through the Leicestershire Rural Partnership (LRP), with its history of innovative working in this area, Leicestershire is well placed to develop new Outreach models in partnership and would be ideally situated to pilot these approaches in order to maintain Post Office services across the County.
- 7. The LRP is currently developing a "Rural Services Programme" bid to the LSEP, which will include funding for the alternative delivery of Post Office services and support (in form of grants) for development of post office businesses. The preparation work for this includes a comprehensive project to map all the services in the county including postal services.
- 8. An additional report specifically looking at post office provision across the County in light of the closures "Access to Post Offices in Leicestershire" is attached as Appendix 2 to this report. It has been

developed to highlight areas affected by the closures and to check the resulting levels of service provision with the government's access criteria. The full report includes all the changes proposed in the Local Area Plan by mapping existing and future provision, access and a comparison.

9. It is anticipated that there will be little real opportunity to influence the programme of closures but officers will be interrogating the list to ensure that the Post Office's proposals meet their own access criteria. The "Access to Post Offices in Leicestershire" report will inform the comments to be submitted to the Post Office Ltd. This work is ongoing and a detailed analysis will be presented at the meeting.

Notice of Motion agreed at the County Council meeting

10. Members are reminded that the following Notice of Motion was agreed at the County Council meeting on 5th December:-

"That the County Council notes with regret the proposals by Post Offices Ltd to close 16 Post Offices in Leicestershire and to reduce hours at a further 5. Some of the Post Offices to be closed are an important commercial part of the only retail outlet in a village. The County Council has worked with post offices to help them invest to diversify their businesses and it is disappointing that Government and Post Office Ltd have not made more effort in this direction. Preliminary work has indicated that the judgement of Post Office Ltd in asserting that adequate alternative provision is available to the areas affected is in some cases flawed. Accordingly, the Chief Executive be authorised to make representations on behalf of the County Council, having first checked the closure proposals against Post Office Ltd's own criteria, such representations to take into account all relevant factors and any specific points which may be put forward by local members."

Conclusions

- 11. It is crucial that the County Council is able to respond quickly to the closure proposals for Leicestershire, particularly where it is felt that:-
 - the Post Office has not met its own access criteria;

- the offices that will pick up business from closing offices do not provide adequate service in terms of location, accessibility or range of goods / services;
- deprived communities and vulnerable people will be particularly affected by the proposed closures.
- 12. Post Office Ltd has invited suggestions about the detailed design and implementation of the proposed outreach services and the County Council will be responding to this invitation with a view to maximising the benefits these new services will provide to local people and communities.
- 13. The Cabinet will consider this matter at its meeting on 10th January and the views of the Commission will be reported to the Cabinet.

Equal Opportunities Implications

14. The proposals will need to be assessed to ensure that vulnerable people and communities are not adversely affected by the proposals.

Recommendations

15. The Commission is asked to consider the information now provided and invited to submit comments on the proposals now being put forward so that these can be taken into account by the Cabinet in responding on behalf of the County Council.

Circulation under the Sensitive Issues procedure

Members were advised of the proposals via the Members' Information Service on 20th and 22nd November

Background Papers

The Area Plan Proposal for Leicestershire, Northamptonshire and Rutland.

The "Access to Post Offices in Leicestershire" report

Officer to contact:

Nicole Rickard Tel: 0116 305 6977

Policy Team Leader Email: nrickard@leics.gov.uk