

**Agenda Item No:**

**Report No:**

**Report Title: Post Office Closure Programme**

**Report To: Cabinet**

**Date: 21 November 2007**

**Lead Councillor: Councillor David Gray**

**Ward(s) Affected: All**

**Report By: Head of Democratic Services**

**Contact Officer: Alan Batty**

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**Purpose of Report:**

**To report the proposals of the Post Office to close up to 2,500 Post Office branches and to consider a means of dealing with any issues which may require a decision during the six week consultation period.**

**Officers Recommendation:**

- 1 To appoint a sub-committee of three councillors, comprising the Chair of Cabinet, the Lead Councillor for Community and a councillor from the Minority Group, to deal with any issues requiring a decision in relation to the Post Office consultation exercise.
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**Reasons for Recommendation**

- 1 To enable any issues to be decided during the consultation period.

**Information**

- 2 The Government has announced:
  - (a) the proposed closure of up to 2,500 Post Office Branches (out of 14,300 current Branches)
  - (b) the introduction of minimum access criteria (as set out below) in respect of the remaining Branches
  - (c) support funding for the Network to be provided by the Government; and
  - (d) the introduction of around 500 'outreach' Branches. (Outreach branches will be deployed in those communities where an Area Plan highlights the need to maintain a form of access to services but where a full time branch could not be justified).
- 3 The announcement was made "in recognition of the need to modernise and reshape the Post Office Network – against the backdrop of falling customer numbers, decline in traditional services such as Government based business,

changing consumer behaviour and rising losses in the Network (from £2m a week in 2005 to almost £4m a week last year). It also acknowledged the important social and economic role played by the Branches in local communities.”

The Government has set minimum access criteria for the future provision of Branches. This means that the Post Office will be required to maintain a Network that provides access to outlets based on the following criteria:

Nationally:

- 99% of the UK population to be within 3 miles and 90% of the population to be within 1 mile of their nearest Branch.
- 99% of the total population in deprived urban areas <sup>1</sup>across the UK to be within 1 mile of their nearest Branch.
- 95% of the total urban <sup>2</sup>population across the UK to be within 1 mile of their nearest Branch.
- 95% of the total rural <sup>3</sup>population across the UK to be within 3 miles of their nearest Branch.

In addition, for each individual postcode district:

- 95% of the population of the postcode district to be within 6 miles of their nearest Branch.

Changes to the Network can only take place within these parameters.

- 4 The Post Office “will also take into account obstacles such as rivers, mountains and valleys, motorways and sea crossings to islands in order to avoid undue hardship and consider the availability of public transport and alternative access to key services, local demographics and the impact on local economies.”
- 5 Postwatch (the independent watchdog for postal services) has emphasised “that the Government has financed the Post Office to close 2,500 post offices and that closures of this magnitude will occur.” Postwatch has stated that it “understands that the Government closures are regrettable but necessary to help establish a sustainable, stable post office network. The alternative – continuing unplanned closures leading to service provision gaps – would be worse for customers.”
- 6 The Post Office proposals will detail the branches that the Post Office propose to close, plus information on remaining post offices and any substitute services. The Post Office proposals should consider such local factors as public transport arrangements, pertinent topographical features, demographics and the impact on the local economy.
- 7 I have been informed by the Post Office that they will be issuing their proposals for East Sussex on 13 November 2007 with a 6 week public consultation period. No final decisions will be made on the implementation until the public consultation has been conducted and responses considered by the Post Office.

- 8 All Town and Parish Councils and Parish Meetings have been given early warning to enable them to consider how they may respond to the proposals when published.
- 9 It is understood that the Sussex Association of Local Councils is encouraging each town and parish council to respond direct to the Post Office rather than the Association attempting to produce a co-ordinated response, which it feels would be difficult, given that if any challenge to a Post Office closure is won then it is likely to result in another closure within that area.
- 10 It is suggested that Cabinet appoint a sub-committee of three councillors to deal with any issues requiring a decision in relation to the Post Office consultation exercise.

### **Financial Appraisal**

- 11 There are no financial implications.

### **Environmental Implications**

- 12 I have completed the Environmental Implications Questionnaire and there are no significant effects as a result of this recommendation.

### **Risk Management Implications**

- 13 I have completed the Risk Management questionnaire and this report does not require a risk assessment because the issues covered by the recommendation are not significant in terms of risk.

### **Background Papers**

- 14 Correspondence with the Post Office and Postwatch.

### **Appendices**

- 15 None

<sup>1</sup> Deprived urban – The most disadvantaged urban parts of the UK based on the Indices of Multiple Deprivation (top 15% Super Output Areas in England, 15% of Data Zones in Scotland and 30% of Super Output Areas in Wales and Northern Ireland).

<sup>2</sup> Urban – a community with 10,000 or more inhabitants in a continuous built up area.

<sup>3</sup> Rural – a community not covered by the definition of Urban above.