
REPORT TO:	Full Council	AGENDA ITEM:
DATE OF MEETING:	25th January 2007	CATEGORY: DELEGATED
REPORT FROM:	Community Scrutiny Committee	
MEMBERS' CONTACT POINT:	Councillor Ron Lane (Chair of Community Scrutiny Committee)	DOC:
SUBJECT:	Delivery of Council services via the Post Office network	REF:
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE:

1.0 Recommendations

- 1.1 Explore the delivery of council services via the post office network, and the continuation of discussions with the National Federation of Sub-Postmasters
- 1.2 Explore the possibility of the Safer South Derbyshire Partnership delivering outreach services via the Post Office network
- 1.3 To undertake a campaign to promote the rate relief scheme to the National Federation of Sub-Postmasters, in order that Post Offices in the district can maximise their opportunities in making a claim.
- 1.4 Install an existing information kiosk, which is currently available on a trial basis at a post office site, preferably in the north west of the district
- 1.5 Ensure that the Council's planning policies in Local Development Documents support the provision and location of Post Offices in villages where significant new development is planned

2.0 Purpose of the Report

- 2.1 To inform Members of the background and issues surrounding the rural Post Office Network
- 2.2 To inform Members the work undertaken by the Community Scrutiny Committee

3.0 Background

- 3.1 The government has to give notice to Post Office Ltd., of its future funding of the rural post office network by the end of September 2006. This funding is only in place to March 2008.
- 3.2 The Department of Work and Pensions have added further uncertainty to the viability of the post office network as a whole, by stating that it will no longer fund the recently introduced Post Office Card Account after 2010.

- 3.3 These issues stem from Postcomm's report entitled '*State of the Network: Recommendations for the future of the social post office network*' which was published in July 2006.
- 3.4 The aim of Postcomm's report was to provide stakeholders with an awareness of the role of the post office network and its future challenges; and to inform government decision-making, on the future of the of the post office network by making 27 recommendations.
- 3.5 These were:
- What is the role of the UK's post office network?
 - How can post office services remain accessible?
 - How can customers and communities inform government decision-making?
 - How should change to the network be delivered?
- 3.6 One of the recommendations made in their report is that '*the government should engage local authority representatives, such as the Local Government Association, National Association of Local Councils, the SPARSE grouping of local authorities and regional development agencies in its efforts to determine the future of the post office network*'
- 3.7 Following informal discussions with the National Federation of Sub-Postmaster on the 8th January 2007, Members were informed that the POCA service is to be enhanced and extended. This service will be subject to a tendering exercise in 2011.
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- 3.8 It was established that the cost of delivery of council service information in each Post Office would be subject to individual negotiation with the respective Sub-Postmaster

Local context

- 3.9 There are 20 Post Office branches within the district boundaries of South Derbyshire, of which 15 are classified as 'rural'. In 2004, the Post Office undertook a comprehensive review of the network within the district, resulting in two branches being permanently closed. (i.e. Midway and Hartshorne)

4.0 Consideration by Community Scrutiny Committee

- 4.1 The Committee has considered and discussed this matter on occasions as outlined in the table overleaf.

Date / (Minute Ref)	Detail
31 Jul 06 (CYS/6)	To consider possible changes to the rural Post Office network and proposals to withdraw funding for the POCA.
5 Sep 06	Informal meeting held with Mark Todd MP
11 Sept 06 (CYS/17)	<p>Progress report</p> <ul style="list-style-type: none"> • All Heads of Service consulted on the proposed changes, current and potential services being delivered by the Post Office network. • All rural sub- postmasters consulted on how the Council and it's Partners could assist in supporting and developing services for delivery by the rural post office network • Parish Councils (with large populations and no existing Post Office) to establish need and what steps the Parish Council have undertaken to secure local post office services <p>Agree the Way Forward</p>
23 Oct 06 (CYS/27)	<p>To consider arrangements for the holding of a series of drop-in events</p> <p>Specific invitations sent out to all rural sub-Postmasters, South Derbyshire Council for Voluntary Service, Citizen's Advice Bureau and Age Concern</p>
13 – 15 Nov 06	<p>Drop- in events held at three central rural locations within the district (Hatton, Overseal and Melbourne)</p> <p>Proposals on how the Council could assist in the sustainability of rural post offices explored</p>
4 Dec 06 (CYS/ 31)	<p>Feedback re drop in events provided</p> <p>Members informed that a Service Development Bid had been prepared for consideration by the Service & Financial Planning Working Panel</p>
8 Jan 07	<p>Informal meeting held with representatives of the National Federation of Sub-Postmasters (NFSP)</p> <p>Exploration of issues on ways in which the Council and NFSP could work together in order to sustain the post office network in South Derbyshire</p> <p>Members were advised that the POCA service is to be enhanced and extended beyond 2010</p>
15 Jan 07 (CYS/35)	Special Meeting to agree recommendations of this Committee to Full Council

5.0 Findings

- 5.1 Post offices play a critical role for many communities. They often accommodate a local community's only shop, serve as its only public meeting point and provide and display vital community information. Many communities are dependent upon them for the essential services that they provide and for the social functions they perform.
- 5.2 The closure of a post office can also result in:
- **Problems for disadvantaged residents trying to access cash and basic groceries when these were previously provided by the post office**
 - **Problems for the elderly and disabled** and for anyone with restricted mobility, such as mothers with young children, who experience difficulty travelling to branches further away.
 - **Transportation problems** for many people, especially those who have to rely on and pay for public transport, which can be unreliable in rural areas
 - **Longer queues, poorer services and facilities**, with the increased pressure that closures put on other branches.
 - **A loss of independence and community spirit for residents**
 - **Damaging repercussions for local shops and businesses**
- 5.3 The committee's public consultation, confirmed the generally held view, supported by all consultation studies that:
- Post office network is a unique and trusted British institution
 - The post office acts as a convenient access for all
 - Therefore post offices should be protected if we are to maintain cohesive communities

Delivering Council Services

- 5.4 The Post Office network is reliable, has a reputation for integrity, is a trusted British institution and the district council could feel confident enough to enter into a service level agreement in order to signpost and deliver council services
- 5.5 Currently, a number of Council services are delivered by the Post Office network in South Derbyshire. For example: Council tax and Non-domestic rates payments, verification of bus pass applications and housing rents etc.
- 5.6 The Council could make further use of the Post Office network. For example, the display of council leaflets which describe the full range of council services; application forms for a range of council services; tourism, events and marketing information.

Council Information Points

- 5.7 The Council should consider piloting at a large rural Post Office outlet, the provision of an information kiosk, which will enable local people and visitors to the area,

remote access the Council's website. Currently, there is a surplus information kiosk that can be installed immediately at no cost to the Council.

- 5.8 The existing information kiosk provision would seem to indicate that the preferential site for the surplus kiosk would be in the northwest area of South Derbyshire

Safer South Derbyshire

- 5.9 By providing an outreach facility at suitable Post Offices, the community will be able to access support from the Safer South Derbyshire Partnership at a safe, secure venue. Partnership members can also use the Post Office facilities as they have the potential to fulfil all of their system security requirements.
- 5.10 The Partnership could make use of the Post Office network, for the displaying promotional materials, such as, posters and the distribution of leaflets etc.

Discretionary Rate Relief

- 5.11 Rural Post Offices are automatically entitled to a 50% reduction in their rates, through the Rural Rate Relief Scheme. The remainder receive Small Business Rate Relief, depending on their rateable value
- 5.12 Post Offices can apply to the Council for Hardship Relief and/ or Discretionary Relief. Each case would be decided on individual merits
- 5.13 At present, only 3 Post Offices are in receipt of any additional rate relief. The Council could more actively promote this rate relief provision with all existing Post Offices

Local Development Framework

- 5.14 There is a need to ensure that the Council's planning policies in Local Development Documents support the provision and location of Post Offices in villages where significant new development is planned.

6.0 Conclusions

- 6.1 The development of partnership working with the Post Offices would help deliver a number of the Council's key aims in the Community Strategy. These are:
- 6.2 **Safer and Healthier Communities:** preliminary discussions are being arranged with the Police through the Safer South Derbyshire Partnership to explore the possibility of providing local policing units at rural Post Office premises, thus contributing to the introduction of the Safer Neighbourhood project across the district, by reducing crime, anti social behaviour and the fear of crime
- 6.3 **You at the Centre:** by providing and rolling out information access kiosks across the district, provision of council leaflets, tourism brochures, etc. This will enable local people to be better informed about the work of the council and its partners. The provision of council services at post office premises will also help in improving links with hard to reach groups in rural communities
- 6.4 **High Quality Services:** this will provide a platform on which to plan and deliver high quality, customer focused services. The council's complaints and compliments procedure could be actively promoted at rural post office locations. Customers

probably feel more confident about making complaints at a location not directly administered by the Council.

- 6.5 **Prosperity for All:** regenerating the local economy. The local economy will be strengthened, and it also ensures the viability of the local post office network. The Post Offices also support the small business community; give easy access to essential services; provide banking facilities and access to cash. For every £10 earned in income, the post office generates £16.20 for its local economy – of which £6.20 is direct spending on local goods and services. In addition improved partnership working with the business sector is attained. Post Offices are the principal point of access to the postal system for a large number of viable rural enterprises internet start-up and small-scale companies trading on sites such as e-bay.
- 6.6 **Rural South Derbyshire:** promoting new ways of delivering services, promoting economic development in rural areas; supporting the development of tourism which now underpins many rural communities.

Acknowledgements

- 6.7 This Committee would like to thank all the Officers, the Member of Parliament, the National Federation of Sub-Postmasters, Parish Councils, members of the public, Safer South Derbyshire staff and Members who prepared reports and contributed to the discussions, in making this report possible

7.0 Financial implications

- 7.1 Additional finance is needed to support the delivery of council service information via the Post Office network. In addition there will be some financial costs to the council with regards to applying the discretionary rate relief scheme.
- 7.2 Year 1 – 2007/08 - £15,000; Year 2 – 2008/09 - £15,000; Year 3 – 2009/10 - £15,000

8.0 Background Documents

- 8.1 Postwatch response to DEFRA's consultation on the Rural Development Plan for England 2007 –2013
- 8.2 Future Foundation Project, *'The Future of the Rural Post Office Network'* April 2003
- 8.3 Postwatch, *'Code Of Practice on Changes to the Post Office Network,'*
- 8.4 Postwatch Counters Advisory Group *'State of the Network: Recommendations for the future of the social post office network,'* (July 2006)
- 8.5 Manchester City Council, *'The Last Post: The social and economic impact of changes to postal services in Manchester'*
- 8.6 Postwatch, *'The impact of Post Office Closures in the Rural Community: Research Report,'* (2002)
- 8.7 Cabinet Office *'Counter Revolution: Modernising the Post Office Network.'* (June 2000)