

**MINUTES OF THE SCRUTINY REVIEW - POST OFFICE CLOSURES
WEDNESDAY, 26 MARCH 2008**

Councillors Alexander, Allison, Beynon, Bull (Chair), Dobbie, C. Harris, Vanier and Winskill (Vice-Chair)

LC1. APOLOGIES FOR ABSENCE

None.

LC2. URGENT BUSINESS

None received.

LC3. DECLARATIONS OF INTEREST

None.

LC4. CHAIR'S WELCOME, OPENING REMARKS AND EXPLANATION OF PROCESS

An event plan and the full report of the scrutiny review Panel is attached.

LC5. SCOPING PAPER - SCRUTINY REVIEW OF POST OFFICE CLOSURES IN HARINGEY (THE NATIONAL NETWORK CHANGE PROGRAMME)

Please refer to sections 3-5 of the main report.

LC6. PRESENTATION BY POST OFFICE LTD

Please refer to section 6 of the main report.

LC7. PRESENTATION BY POST WATCH

Please refer to section 6 of the main report.

LC8. EVIDENCE FROM THE NATIONAL FEDERATION OF SUB POSTMASTERS

Please refer to section 6 of the main report.

LC9. EFFECT OF INDIVIDUAL CLOSURES ON LOCALITIES

Please refer to section 7 of the main report.

LC10. PLENARY SESSION

Please refer to sections 1 and 2 of the main report for the main conclusions and recommendations of the review.

LC11. ANY LATE ITEMS OF URGENT BUSINESS

None.

Cllr Gideon Bull

**MINUTES OF THE SCRUTINY REVIEW - POST OFFICE CLOSURES
WEDNESDAY, 26 MARCH 2008**

Chair



Scrutiny Review of Post Office Closures in Haringey



A REVIEW BY THE OVERVIEW AND SCRUTINY COMMITTEE

April 2008

For further information:

Martin Bradford
Overview & Scrutiny
Haringey Council
7th Floor River Park House
High Road
Wood Green N22 4HQ
Tel: 0208 489 6950
Email: martin.bradford@haringey.gov.uk

CONTENTS

Foreword

1. **Executive Summary**
2. **Recommendations**
3. **Introduction**
4. **Background**
 - National Context**
 - Local Context**
5. **Review aims, objectives and methods**
6. **Report findings – evidence from scrutiny review event**
7. **Report findings - evidence for individual post offices**
 - Alexandra park Road, N10
 - Page Green, 100 Broad Lane, N15
 - Evidence for 434, West Green Road, N15
 - Evidence for Salisbury Road, N22
 - Evidence for 69, Weston Park, N8
 - Evidence for Ferme Park Road, N4
 - Highgate High Street, N6
8. **Legal Implications**
9. **Financial Implications**
10. **References**
11. **Appendices**

1. Executive Summary

- 1.1 Post Office Ltd has been mandated by the Government to implement a programme of 2,500 post office closures across the UK. In London, the closure programme may result in the loss of 169 post offices. Six of these post offices are directly located in Haringey and one is on the Borough boundary and serves many Haringey residents.
- 1.2 Post Office Ltd has been required to conduct a 6 week public consultation on the London area plan for post office closures which ends on April 2nd 2008. Post Office Ltd will consider responses to the consultation and announce their final decisions on the planned closures in early May 2008.
- 1.3 A Review Panel from the Overview & Scrutiny Committee have conducted a review of the post office closures that are likely to impact on Haringey residents. The review has involved a wide range of stakeholders as well as Post Office Ltd, Postwatch and the National Federation of Sub Postmasters. More importantly, the scrutiny review process has provided a platform through which local residents, community groups and other local representatives have been able to articulate their views about the closures and the impact that these will have on communities in Haringey.
- 1.4 After considering evidence from a wide range of contributors, the Review Panel have formed a number of conclusions and recommendations, which will be submitted as part of Haringey Council's response to the London area consultation.

Key findings

- 1.5 The Panel was deeply concerned at the quality of the national and local consultation processes that have been employed to consider post office closures:
 - There was inadequate publicity or public awareness of the national Government consultation that was undertaken in December 2006
 - The Panel found that there was little evidence of consensus for the proposed closures to proceed from the initial Government consultation
 - The Government policy drivers for the post office closure plan were unclear and arbitrary
 - The consultation presented inadequate financial information with assertions rather than clear reasons why specifically 2,500 post offices should close
 - The Panel is of the view that the local consultation period of 6 weeks is too short to allow residents, businesses, communities and other

interested parties to develop well reasoned, appropriate and meaningful responses to the post office closure programme

- Haringey residents will be disproportionately affected by the post office closure plan; if all 7 post offices were to close this will precipitate the loss of 25-30% of Haringey's post office network, where the rates of closure nationally (18%) and in London (20%) are much lower
- The Panel found that no impact studies had been undertaken to assess the social effects of the proposed post office closures, nor any detailed study of how the proposals would affect potentially disadvantaged groups (this could have been undertaken in the form of an Equalities Impact Assessment)
- No rigorous assessment has been undertaken of the capacity of alternative post offices to absorb overspill business that will result through the closure programme. There is, however, a great deal of evidence of Crown post offices continuing to overtrade
- Branch Access Reports were used to determine the relative accessibility of alternative post offices to those closed. The Panel closely examined these reports and were surprised at the number of inaccuracies in the data presented. Given the level of inaccuracies contained in these reports, the Panel questioned the overall reliability of these reports as a measure of the accessibility of alternative post offices
- The Panel received a great deal of evidence that parents with children, older people, disabled people and their carers and home workers located in the areas affected will be severely disadvantaged by post office closures
- The Panel notes that work has not been done on the economic impact of the post office closures on small businesses, sole traders and home workers
- The proposed closures clearly breach many national policy aspirations; specifically those on community cohesion, the importance of retaining and developing local shopping centres as well as sustainable transport policies.

2. Review recommendations

The Panel can find no benefits in the post office closure programme at all for individuals, residents in the borough or the community as a whole.

- 2.1 The current programme of post office closures should be suspended to allow a properly informed debate on the issue. This will allow Post Office Ltd time to evaluate the full economic and social impact of any closures and examine proposals for new business streams.

- 2.2 Based on the evidence that it received, the Panel was unable to condone the loss of services resulting from any of the planned closures of sub post offices in Haringey.
- 2.3 The Panel cannot accept that the closure programme would support the key aspirations of Haringey for socially and environmentally sustainable communities and healthy and safe communities.
- 2.4 On the limited evidence available, the Panel could not support proposals for the franchise of Tottenham Crown post office. The Panel will seek further clarification around the proposals for the Crown post office at 824 High Road and make a submission to this separate consultation.

3. Introduction

- 3.1 Initial proposals for the modernisation and restructuring of the national post office network were published by the Government in December 2006. Subsequent to public consultation on these proposals, Post Office Ltd was required to implement a programme of 2,500 compensated closures across the national post office network. Approximately 50 Local Area Plans have been drawn up by Post Office Ltd detailing which post offices are to close and which are to be retained.
- 3.2 Proposals for the London Area Plan were published in February 2008. This plan proposed to close 169 post offices and retain 681 post offices in the London post office network. Seven of the proposed closures are located in Haringey or utilised mainly by Haringey residents. A six week public consultation on the proposed closures in London is being undertaken by Post Office Ltd. The consultation period ends on April 2nd 2008.
- 3.3 Haringey Overview & Scrutiny Committee commissioned a review of the planned post office closures in Haringey. A Review Panel was convened to examine the post office closure plan and to gather evidence on individual post office closures. The following report provides a summary of the Panel's main findings and recommendations which will be submitted as part of Haringey Councils response to Post Office Ltd consultation on the London post office closure plan.

4. Background

National Background

- 4.1 The Post Office network currently consists of approximately 14,300 post offices. 97% of these are franchised and are run as private businesses; the remainder (approximately 465 offices) are directly managed by Post Office Ltd and are known as Crown Post Offices. Aside from postal services, post offices provide a number of key services including access to pensions and welfare benefits, access to other government agencies (i.e. passport services), banking facilities and bill payment services. It is estimated that there are 24 million visits to the Post Office network each week (Postwatch, 2008)

- 4.2** Technological advancements, social and cultural changes as well as economic constraints continue to shape the size of the post office network and the nature of the services it provides. More people now use e-mail instead of letters, bills are more commonly paid by direct debit or internet banking than through over the counter services and 75% of all welfare benefits are now paid directly in to people's bank accounts instead of cashed through benefit books at the post office (DTI, 2006). As a result of these and other changes, there were 4 million fewer visits to post offices in 2006 than in 2004 (DTI, 2006).
- 4.3** These and other developments have impacted on the financial viability of individual post offices and on the profitability of the post office network as a whole. In 2005, 1,600 branches served fewer than 20 customers per day, losing £8 for every transaction made (DTI, 2006). Post Office Ltd averaged a £100million operating loss each year from 2003-2007 and is currently operating a £4million loss each week (DTI, 2006). This has proved a key driver for change within the post office network.

National Consultation

- 4.4** In December 2006, the government presented proposals to restructure and modernise the post office network to ensure the future sustainability of a national network of post offices (DTI, 2006). These proposals highlighted the key challenges faced by the post office network, emphasised the important role that post offices provide within the community and reaffirmed a commitment to retaining a national post office network. The overarching aim of the proposals was to present a planned approach in developing a sustainable national network of post offices.
- 4.5** Within these proposals, it was recommended that up to 2,500 compensated closures should take place across the national network of post offices. Additionally, to help stem financial losses, proposals were also put forward to franchise a limited number of offices within Crown Post Office network. Other elements within the government proposals were:
- 500 outreach services in rural areas affected by closures
 - Allow the Post Office to expand business opportunities
 - £1.7 billion funding to 2011 (for compensation of sub post masters, maintenance of social network subsidy, development of outreach services and to cover forecast Post Office Ltd losses to 2011)
 - An intention to devolve greater responsibility and flexibility for funding of post office services to the local level.
- 4.6** The consultation also established minimum access criteria that would be used by Post Office Ltd to determine those post offices that should be closed and to shape the future national network of Post Offices. These were specified as thus:
- Nationally, 95% of the population to be within 3 miles and 90% of the population to be within 1 mile of a post office
 - 99% of the population in urban deprived areas¹ to be within 1 mile of a post office

¹ Urban deprived defined as '15% most deprived areas in the UK'.

- 95% of total urban population to be within 1 mile of their nearest post office
- 95% of rural population to be within 3 miles of their nearest post office.

4.7 The national public consultation closed in March 2007. No significant changes were made by the Government to those original proposals set out above (DTI, 2007) in response to the consultation. Post Office Ltd was instructed to implement the programme of post offices closures and franchising (called the Network Change Programme). Within this programme, Post Office Ltd was required to develop Local Area Plans which detailed those post offices identified for closure based on applying the minimum access criteria. In addition, to inform decisions around post offices closures, Post Office Ltd was required to consult with Postwatch, Sub Postmasters, Local Authorities and Regional Development Agencies.

4.8 Individual Local Area Plans were then to be published in a rolling programme of consultations within the Network Change Programme (commenced in October 2007). Post Office Ltd was required to conduct 6 week public consultations for each Local Area Plan.

Local Context - London Area Plan

4.9 The London Area Plan was 19th consultation to be undertaken in the national Network Change Programme. The Plan proposed to maintain a network of 681 post offices within the London region and to close 169 post offices across the 33 London Boroughs. This equated to 5.1 post office closures per Borough (4.6 Inner London, 5.5 outer London). Plans were also put forward to franchise 4 post offices within the Crown Post Office network. There were no proposals for replacement outreach services in the London Area Plan.

4.10 The Plan indicated that minimum access criteria were used to develop proposals for the identified post office closures in London (as set out in 13). In addition, the consultation documentation indicated that other criteria have been taken into account in developing proposals for individual post office closures:

- Proximity of post office branches proposed for closure to alternative branches
- Physical obstacles which may affect access to alternative branches
- Availability of public transport to alternative branches
- Alternative access to key post office services
- Local demographics
- Impact on local economies.
- The number of customers using branches proposed for closure
- The size and ability of nearby branches to absorb extra customers
- Commercial implications of any decision for Post Office Ltd

4.11 Using the above criteria, the London Area Plan proposed the closure of 6 post offices which were directly located in Haringey and one, although located in Camden, that served a significant number of Haringey residents. A proposal was also put forward to franchise one Crown post office in Haringey. Full details of the closures and franchise are listed below:

Proposed Closures

Franchise

100, Alexandra Park Road, N10
 Page Green, 100 Broad Lane, N15
 434, West Green Road, N15
 Salisbury Road, N22
 69, Weston Park, N8
 Ferme Park Road, N4
 Highgate High Street, N6

Tottenham, 825 High Road

- 4.12** Individual branch access reports were produced for each of the planned closures (Post Office Ltd, 2008a). These reports provided detailed information on the services provided at each of the planned closures and the relative accessibility of the nearest two alternative post office sites. A map showing the geographical location of the proposed post office closures in Haringey and the remaining post office network (against socio-economic deprivation) is contained in Appendix A.

Consultation on the London Area Plan

- 4.13** A memorandum of understanding between Post Office Ltd and Postwatch was drawn up to guide and inform the consultation process (Postwatch, 2008a). This memorandum stipulated that there will be three phases within the local consultation:

Phase	Consultation activity
Pre Public Consultation (complete)	<ul style="list-style-type: none"> ▪ Post Office Ltd to provide Postwatch with first draft proposals ▪ Post Office apply issues and information from pre consultation ▪ Postwatch advise on proposals and assist in developing Local Area Plan
Public Consultation (19th February – 2nd April)	<ul style="list-style-type: none"> ▪ Post Office Ltd ensure appropriate distribution of proposals ▪ Postwatch ensure that appropriate bodies and individuals are consulted ▪ Consultation responses shared with Postwatch
Post Public Consultation	<ul style="list-style-type: none"> ▪ Post Office Ltd produce a final Area Plan based on consultation response ▪ Postwatch may instigate a review process for specific closures where it feels full consideration has not been given to evidence within the consultation ▪ Postwatch does not have the power of veto over any closures

- 4.14** The memorandum of understanding between Post Office Ltd and Postwatch contained important guidance for the consultation process which aimed to guide and inform responses and submissions:
- Post Office Ltd is not consulting on the need to change as this has been undertaken within the national consultation
 - Post Office Ltd is consulting on the most effective way that Government policy can be implemented in a particular area
 - Consultation should encourage responses on the accessibility of nearest available services given the proposed changes.

- 4.15** As Post Office Ltd has been asked by the Government to close up to 2,500 branches, where a proposed closure is withdrawn as a result of the public

consultation, the area plan will remain live until Post Office Ltd has reassessed the options available. Post Office Ltd may therefore:

- Replace the withdrawn closure with another proposed for closure within the area;
- Replace the withdrawn closure with a proposed outreach service;
- Continue with the area plan less one closure (Postwatch 2008b)

5. Review aims, objectives and methods

Terms of reference

- 5.1** Overview & Scrutiny Committee agreed the terms of reference for the review of post office closures in Haringey as thus:

'To gather evidence on the social and economic impact of the proposed post office closures in Haringey and the impact that this will have on customers, residents and businesses in those areas affected and to present this as part of Haringey's submission to the consultation for the London Area Plan.'

- 5.2** Within the terms of reference, it was agreed that the scrutiny review should focus on the following objectives:

- To obtain information and comment on the criteria used to identify post offices intended for closure and its application within Haringey.
- To obtain evidence from interested parties of the impact that the planned post office closures will have on Haringey residents, businesses and in the wider community and how they will affect future access to post office services in Haringey

Methods

- 5.3** A panel of 8 Members was convened for the review. Given the duration of the consultation period for the post office closures it was impracticable to hold a series of evidence sessions for this scrutiny review. It was therefore agreed to hold an extended scrutiny review event to allow the necessary evidence to be obtained to complete the review.
- 5.4** the scrutiny event to inform the review took place on March 26th 2008 (3pm-8pm) and heard evidence from Post Office Ltd, Postwatch & the National Federation of Sub Postmasters as well as Haringey residents, local community groups and other interested parties affected by the closures. The event was divided in to two sessions. Session one allowed the Panel to question key stakeholders about the planned post office closures in Haringey. Session two was run in a workshop format, which allowed evidence to be collected from those residents, businesses and communities affected by the post office closures in Haringey. A full programme of the scrutiny event is contained within Appendix B.
- 5.5** The scrutiny event attracted a wide range of stakeholders, local interest groups, community and business representatives and a significant number of individual Haringey residents. The scrutiny event was well attended where approximately 40 people were in attendance at both the sessions.

- 5.6 In addition to oral evidence the Panel considered other sources of evidence including:
- National guidance and targets (Department of Business, Enterprise & Regulatory Reform)
 - Reports and documentation from other representative bodies (Local Government Association, London Councils, Greater London Assembly, London Mayors Office)
 - Research documentation (Postwatch, Postcomm)
 - Local demographic profiles and statistics

6. Report Findings - evidence from scrutiny review

- 6.1 The first session provided an opportunity for local MPs, local councillors and nominated representatives from tenant and resident groups and local voluntary organisations, to question Post Office Ltd, both to test the rationale behind the decisions on post office closures and to seek clarity on the information on which the decisions were based. A summary of the key findings to arise from this questioning is given below.

Consultation Process

- 6.2 The Panel raised a number of concerns about the consultation carried out by Post Office Ltd, particularly the length of time allowed for public consultation. The Panel considered the 6 week consultation to be totally inadequate to allow individuals, businesses and communities to construct meaningful responses and requested it be extended to at least 12 weeks.
- 6.3 The Panel was of the opinion that not enough had been done to ensure that the elderly, disabled, disadvantaged, vulnerable and hard to reach, had been made aware of proposed closures. Nor had enough been done at the local level to measure the impact closures would have on these people's lives. It could be argued that the consultation favoured those more able to articulate their views or who were better able to communicate their objections to the proposals.
- 6.4 The Panel was sceptical that, given nationally there are 2,500 proposed post office closures, if the volume of comment Haringey is receiving is representative and the timescale involved, whether there was the capacity at Post Office Ltd to adequately consider everything presented to them during the consultation.
- 6.5 The issue of what evidence would be considered to make a difference to the proposed closures was raised. Post Office Ltd stated that all petitions, letters, individual comment through whatever media and comment from representatives would be looked at. However Post Office Ltd indicated that it was seeking reasons why specific proposals were not correct. If good reasons were presented the proposals would be reconsidered.
- 6.6 The Panel was unanimous in its condemnation of the approach of the local consultation which is divisive and encourages communities to fight against each other to save their respective local post offices. The Panel viewed all of

the post offices within the Haringey network as equally important to their local communities. It would not prioritise one closure over another and therefore condemns all of the proposed closures on behalf of all communities in Haringey.

Role of Postwatch

- 6.7** Postwatch is a statutory body, independent from Post Office Ltd and was set up by the Government as a watchdog organisation in relation to post offices. In respect of these proposals its role has been limited, although it has a role at each of the three stages of the consultation process i.e. pre, during and post public consultation (see 4.13).
- 6.8** Postwatch was of the opinion that, as Post Office Ltd was mandated by Government to achieve financial savings and a specified number of closures, the impact of the consultation on the closure plan would be minimal. Previous experience had shown that it might be possible to retain up to 12 planned closures in the London Plan, though from the experience of previous consultations, these are then likely to be substituted by a further set of proposed closures. Therefore the Panel should prioritise those post offices which have a strong case for remaining open.
- 6.9** Postwatch recognised that its stance would be unpopular, but indicated that previous attempts to rationalise the post office network were ad hoc and that the current programme of closures should be recognised as the first attempt in *planning* for a national network of post offices. Postwatch indicated that opposing the planned closures would not be in the longer term interest of the post office network.
- 6.10** The Panel was taken aback at the level of acquiescence to the proposals from Postwatch. The Panel was of the opinion that Postwatch should be doing much more to challenge the strategy of the closure plan and to champion the cause of local people, particularly the elderly, disabled, disadvantaged, vulnerable and hard to reach.

National Federation of Sub Postmasters

- 6.11** The Panel heard from a representative of the National Federation of Sub Postmasters (Executive Officer, London Division). The Panel was informed that the sub-post office was a declining industry with too many sub-post offices chasing an ever decreasing number of customers. A significant part of sub post masters income is based on the transactions that they undertake, and quite simply the rates for this did not generate sufficient income: for every £100 of pension benefits paid out, post masters receive 14p.
- 6.12** Overall, the sub post masters considered the proposed changes to be fair, particularly given the terms of the Government requirements of Post Office Ltd. The representative expressed the opinion that if savings from the current closure programme were not achieved now, it was possible that an even greater number of sub post offices would be forced into closure in the future and in an unplanned manner.

- 6.13** The sub post masters representative stated that development of new work streams for sub post masters should be the main way forward in developing a sustainable national network of post offices and that sub post masters would welcome any new opportunities presented to them.
- 6.14** The Panel were surprised at the level of acceptance of the proposals by this representative body.

Identifying those post offices for closure

- 6.15** It was noted that Haringey residents faced greater disadvantage from the proposed post office closure plan than those living in other areas. Nationally the level of post office closures was 18%, whilst in London the average was 20%, however in Haringey the 6 proposed closures equate to some 25% of the local network. If the proposed closure at Highgate Hill, which is just 12 meters beyond the Borough boundary but whose customer base is predominantly Haringey residents, is taken into account, the average for Haringey rises to 30%. The panel was of the opinion this was too high, unfair and would affect Haringey residents disproportionately.
- 6.16** The Panel learned further about the total number of closures necessary to achieve the required level of saving. Post Office Ltd indicated that it had information on how much each post office received as a fixed payment and how much post offices earned through the volume of business transacted. It also had information on the savings that might be accrued from running costs such as purchase and maintenance of hardware and software, cash delivery and security costs.
- 6.17** The Panel were keen to understand if any of those post offices earmarked for closure were profitable. Post Office Ltd indicated that this may indeed be the case, though they could not give any detail on the profitability on individual post offices on the grounds post offices are private enterprises and was the right of the business holder that this should be kept private.
- 6.18** The Panel was of the opinion that cost had been a major factor in determining the level of closures necessary; therefore a major piece of evidence was being denied to the Panel. The Panel was of the opinion that it was illogical to close profit making offices in order to achieve a saving. It was also implied that if a closure was saved in Haringey another from the London area would have to be made to achieve the saving required. The panel were of the opinion that this made the other criteria used irrelevant.

Social Impact of Closures

- 6.19** The Panel sought to clarify what modelling Post Office Ltd had undertaken to calculate the additional social cost to individuals in terms of time and expense to travel to alternative post offices. It was apparent that Post Office Ltd had detailed the travelling time to alternative post offices but had not attempted to cost this in any way. While admitting customers would be inconvenienced they had no detail on how the closures would impact on individuals.

- 6.20** The panel understood that residents group (Highgate Society) had done such an exercise and had calculated the cost that was expected to be absorbed by individuals; this was conservatively estimated to be excess of £100k. As the customer base of the post offices contains a high proportion of people on low income, this cost burden was a greater disadvantage to them, yet this had not been taken into consideration. If the figures quoted are correct, each closure saves approximately £20,000. By any standard this cannot be considered to be a good socio economic return to the locality.
- 6.21** Post Office Ltd acknowledged that post offices do have some social role within the communities in which they are located, but this needed to be balanced with economic considerations for the network as a whole. The closure figure total reflected a network of branches that meet the minimum access criteria and achieve the savings required. Most closures do not achieve a profit for Post Office Ltd. In a social sense the post office did bring people to an area and there was an element of it being a focal point for the local community. However, Post Office Ltd operates in a competitive market and must act as any other business. Post Office Ltd did acknowledge that if the Government's access criteria to an alternative post office could not be achieved, consideration was given to maintaining an unprofitable post office in that area.
- 6.22** The Panel could not reconcile how planned post office closures could be supported given the Councils policy stated policy objectives. The closure of post offices was likely to drain support from other local community shopping outlets potentially making them insolvent which may necessitate customers to travel further to other shopping centres. The additional car journeys that this would generate would run counter to the greenest borough strategy and would lessen local community cohesion in those areas where shops decline as a result of post office closures.
- 6.23** In this context, the Panel noted that planned post office closures breached the aspirations of Haringey Council in relation to community cohesion, supporting local business, sustainable transport and the greenest borough strategy and therefore could not be supported by the Panel. The Panel also noted that there was no information as to whether a systematic Equalities Impact Assessment had been undertaken for the principle of post office closures or in respect of the planned individual post office closures. Without this information, the Panel could not support any closures given that this may disproportionately affect equalities groups.

Economic Impact of Closures

- 6.24** In respect of the expansion of smart working, working from home and small enterprises using their place of residence as business premises and the additional business this may bring to local post offices, Post Office Ltd had no figures for any potential increase in volume of transactions in relation to individual closure proposals. However on a national basis they did have evidence to suggest that 80% of the business of a closing branch would be maintained within the local post office network. The Panel was disappointed that this potential increase in business volume had not been measured or taken into account in respect of proposed closures.

6.25 The Panel questioned whether redevelopments in Tottenham Hale and the Haringey Heartlands, both of which were in Haringey's Urban Development Plan and the Mayor's Plans for London, had been considered. Post Office Ltd indicated that they could not confirm whether this evidence had been received but would welcome any evidence in relation to economic redevelopment, new housing and social care facilities in those areas where closures are planned. The Panel also noted that the Post Office indicated that it was predominantly interested in short to medium term developments (18 months); the Panel felt that this flawed the consultation as it limited its consideration of longer term trends (i.e. home working) and future usage of planned post offices earmarked for closure.

Capacity of Alternative Services

6.26 The Panel drew attention to the duplication of alternative post offices suggested in the Brach Access Reports; the Crown post office in Wood Green is cited as an alternative for two planned closures in Haringey. Panel members know Wood Green Post Office well and have witnessed many occasions where long queues have developed, even when all counter positions are open. The capacity of other cited alternatives to deal with the additional demand from closures was also questioned: Archway and Hornsey have two counters which are running at capacity yet there is no room for additional physical expansion. The capacity of this and other alternative offices to absorb further business from two closures nearby was therefore challenged by the Panel.

6.27 Post office Ltd indicated that computer modelling had been carried out on transactions and the capacity of alternatives had been considered. Employing additional staff was an option being considered by Crown Post Offices and some post offices suggested as alternatives had scope for future expansion. In this way the local network would absorb displaced customers.

6.28 The Panel expressed their concern over the additional length and the time likely to be spent queuing as a result of the planned closures. The Panel were keen to understand whether there were any performance standards in relation to queuing or what was considered an acceptable queuing time and whether any consideration had been given to extending post offices opening hours beyond 9:00 – 5:30pm? The Panel were concerned that failure to address queues would drive people to use alternative services other than post offices, compounding closure plans.

6.29 Post Office Ltd indicated that peaks and troughs in the volume of people using the post office on particular days or at particular times are inevitable. Sub Postmasters endeavoured to keep queues down to 5/10 minutes at peak times as do crown Post Offices. It was acknowledged that there was the potential for expansion and employing additional staff to cover peak times. The relationship between Crown post offices and sub post offices is being examined in terms of the services offered and from which locations. Post Office Ltd indicated that franchising of Crown post offices may facilitate the extension of services in

those branches such as improved access, improved accommodation and extended hours.

- 6.30** In respect of the information provided on post offices earmarked for closure and alternatives suggested, the Panel was surprised that there was no information on usage and patterns of usage in the information provided. The Panel concluded that a time analysis on the volume of transactions at each post office proposed for closure would have helped to establish a user pattern. This could then have been overlaid with the suggested alternatives to indicate their ability to absorb the displacement. The only detail given is on the number of customer sessions per week.
- 6.31** The Panel raised the issue of past closures in 2004 and gave detail of a closure in Westbury Avenue, where Salisbury Road post office, now earmarked for closure, was cited as an alternative. Therefore customer access to postal services in this area is doubly restricted.

7. Report Findings - Evidence for individual post offices

- 7.1** The Panel received a number of written responses which have been referred to the following evidence submission. Where appropriate these have also been forwarded on directly to the Network Change Programme for consideration within the consultation.

7.2 Evidence for 100, Alexandra Park Road. N10

- As the Branch Access Report acknowledges, both alternative offices are located at the top of steep hills which would limit their accessibility, particularly to disabled people or the frail elderly who may not be able or not confident enough to use public transport. Even for those people who may have their own transport, it was noted that the parking facilities at alternative offices were very restrictive. In this context, the Panel noted that some residents may be excluded from post office services.
- A number of major inaccuracies were noted in the Branch Access Report for this post office. The nearest bus stop is not 300yds away as stated, but almost directly outside the post office (approximately 10yds); this makes this post office relatively more accessible than suggested alternatives. Other inaccuracies in the Branch Access Report concern the suggested use of public transport to alternative post offices. Here it was noted that the 299 bus does not go to Colney Hatch Lane and a second bus would have to be taken. It was also noted that buses are not every 6-8 minutes. On the evidence submitted from residents, the combined journey time was 83 minutes and queuing time at Muswell Hill was 34 minutes, which both far exceeded the estimates given within the report.
- The capacity of alternative services suggested for this office was raised as a concern by many of those in attendance. The post office at Muswell Hill was noted to be particularly busy as it was where people frequently had to queue for long period of time before being seen by a cashier. The prospect

- It was noted that there are 6 sheltered housing units in close proximity to the proposed post office closure which total 182 residents:

Ashmount & Earlsmead	17 Residents (LB Haringey)
Roseland	20 Residents (LB Haringey)
Sophia House	33 Residents (LB Haringey)
Stonebridge	26 Residents (LB Haringey)
Portland	54 residents (Stadium housing)
Holly Ct	32 Residents (Anchor Housing)
- Representations were made to the Panel about the relative inaccessibility of alternative post offices suggested within the Brach Access Report. It was noted that there was heavy traffic on the routes to alternative offices which presented acute problems for older people, disabled and those people with mobility problems who may not be able to use public transport.
- There are already long queues at Page Green post office, which currently caters for up to 2000 customers a week. 108, West Green Road, which is one of the alternative offices identified, already suffers from long queues so it is not clear how it will be able to cater for the additional demand.
- The locality includes the Ferry Lane Estate, which is home to a large number of elderly and unemployed people. In addition, it is close to a major regeneration area with another 5-6,000 housing units are due to be built in the near future. A large private residential unit for elderly people has also opened nearby on Harold Road and the nearby retail park is also expanding.
- It is the main office for the collection of parcels and undelivered mail. People can currently collect mail during normal opening hours. The alternative that will be provided should Page Green close is in the N4 area and will only allow collections until midday.
- A lot of nearby shops are at the margins of viability and may be forced out of business should the post office shut.
- It is a high crime area and the need for pensioners and people collecting benefits to travel further carrying cash will put them at greater risk of becoming victims of crime.
- A lot of local people have no access to a computer so will be unable to obtain services via the net. They will therefore have no alternative but to use other post offices.

7.4 Evidence for 434, West Green Road, N15

- It was noted that there was 1 sheltered housing unit in close proximity to the proposed post office closure which total 28 residents:

Spanswick	28 Residents (LB Haringey)
-----------	----------------------------

- The alternative post office on Green Lanes, despite having 7 serving positions, is very small in terms of its floor. Customers already frequently spill out of the door onto the street when queuing and additional demand will make this situation even worse.
- There is a lack of banking facilities in the area and ATMs so people have no choice but to use post offices.

7.5 Evidence for Salisbury Road, N22

- There are a high percentage of pensioners in the local area. There is a lack of bus services serving the Noel Park Estate which will make it difficult for them to access alternative post offices, particularly if they have mobility problems. The roads surrounding Noel Park were also very busy and difficult to cross.
- Salisbury Road post office has two counters which are busy for every day with the exception of Friday. However, service is normally quick. It has recently been refurbished to cater for disabled access. Wood Green Post Office is characterised by long queues. All its available customer serving positions are normally open so there is very little scope for it to accommodate additional customers.
- It was noted that there was 2 sheltered housing units in close proximity to the proposed post office closure which total 33 residents:

Cozen Ct	17 Residents (London & Quadrant)
The Olive Tree House	16 Residents (Hornsey Housing Trust)
- A lot of people who live in Noel Park do not use banks so are not easily able to access alternative sources of obtaining cash. It is a high crime area and therefore the need to travel further whilst carrying significant amounts of cash is likely to increase the risk of residents becoming victims of crime.
- The Panel received evidence from the previous closure programme in 2004, where Salisbury Road post office, now earmarked for closure, was cited as an alternative to the Westbury Avenue office. The Panel noted that access to postal services is even further restricted.
- Local shops are generally small family businesses. They are made more sustainable by the presence of the post office, which encourages people to spend money locally. Closure is likely to have a serious affect on them.
- Personal service will be lost as the alternative post offices will not be able to have the same close relationship with customers due to their size.

7.6 Evidence for 89, Weston Park, N8

- The Panel heard from elderly residents living in the area who were regular users of this post office. The Panel noted their concerns that they would

find the use of alternative services problematic, particularly as they were frail and could not walk without assistance.

- The Panel heard that alternative post office's were already very busy with long queues. The panel doubted that in particular the Crouch End office had the capacity to absorb additional customers without additional queuing time and considerable inconvenience to customers. Elderly residents expressed particular concerns about the longer queues and waiting times that they may experience at this alternative office, particularly in winter time and where it was known that queues often extended outside the post office. Additionally there was no seating provided for residents queuing.
- The alternative post offices were some distance away, and the area was hilly. To reach Crouch End would take residents at least half an hour by bus.
- The Panel heard that there was a parade of approximately 12 retail outlets adjacent to this post office. If this post office was to close this would have a detrimental impact on the footfall and subsequent viability of some of these outlets.
- A number of inaccuracies were noted in the Branch Access Report for this post office. Residents indicated that it would be misleading to indicate that there was parking in the vicinity of the 1st alternative (Crouch End) as this was a very busy retail area for which there is limited parking.
- As there is no other ATM in this area, the withdrawal of this post office and the cash services that it provides may limit people access to cash, particularly the elderly, disabled or those reliant on benefits.
- It was noted that there was 4 sheltered housing units in close proximity to the proposed post office closure which totalled 89 residents, many of whom had helpers who would not have enough time to go to an alternative Post Office:

Abyssinia Ct	46 Residents (Hornsey Housing Trust)
1-15 Ravendale Mansions	15 Residents (London & Quadrant)
Amelia House	15 Residents (London & Quadrant)
The Avenue	12 Residents (Haringey)
- The Panel heard that this Post Office provided a personal touch and that customers, especially the disabled and elderly were helped with their particular needs
- The Panel noted the Council's aspiration to support local businesses and the proposed closure of this Post Office was not in the spirit of this intention.

7.7 Evidence for Ferme Park Road, N4

- The panel heard evidence from Stroud Green Residents Association which had collated evidence from residents living in the vicinity of this post office. A number of concerns were raised with SGRA which were presented to the Panel.
- SGRA felt strongly that local residents were disproportionately affected by the current post office closure plan as two post offices have been proposed for closure in the same Local Authority Ward (Stroud Green). If the closures of both post offices were to proceed, this would leave no post offices remaining in the Ward.
- There was strong local concerns among residents about the future of other local businesses in the area should this post office close. There was a small number of retail shops which are interdependent on each other in maintaining a viable level of trade in the area. The post office is a key service in the local economy and should this close, other shops may close too.
- The existence of a discrete local economy for particular communities was underlined by residents in this area. SGRA noted that residents had little recognition or awareness of second alternative service suggested within the Branch Access Report (Hornsey Road).
- SGRA noted that there was no alternative cash withdrawal service in this area. Thus the withdrawal of the ATM which would accompany the closure of this post office would deprive local people of access to cash services, particularly the elderly, disabled or those reliant on benefits through the post office.
- The closure of this post office would mean that local residents would lose access to a postal pick up point for large or bulky items which could not be delivered at peoples home address.
- It was noted that the first alternative service in the Branch Access report (Stroud Green Road) was a very busy sub post office at which customers already experienced long queues and waiting times. There were strong concerns that this alternative service would have the capacity to cope with additional workload generated by the closure of this post office.
- Proportionally fewer people have access to their own private transport which limits then accessibility of other more distant alternative services.
- Around 65% of business at this Post Office was from pensioners who accessed their pensions from the Post office. For them using this Post Office was a regular part of their social life and to travel to alternatives would be problematic.

7.8 Evidence for Highgate High Street, N6

- The Panel heard evidence from the Highgate Society regarding the possible closure of this Post office.
- Although this post office is not physically located in Haringey (less than 12m from Borough boundary) a significant proportion of its customers are resident in Haringey.
- This post office is at the heart of the community of Highgate and many other small businesses are dependent on it for additional footfall for the economic viability of their business.
- Many of the local shops were one person businesses that close for 5 -10 minutes when conducting necessary Post Office transactions. If they had to go to another Post Office they would have to shut for 45-60 minutes.
- Calculations had been carried out which showed that the cost savings would be around £40,000 which would be far outweighed by the social cost imposed on the local community and businesses as a result of closure, which had been estimated at around £150,000 a year
- As Highgate Post Office is situated at the top of steep hills, access to alternative post offices would cause serious difficulties to the elderly, disabled and people with young children.
- The alternative Post Offices were already very busy and therefore it was questionable if they would be able to cope with additional customers.
- The Highgate area has already lost three post offices in the last decade or so – in Aylmer Parade, lower down the Archway Road and at the bottom of Highgate West Hill.

8. Legal Implications

- 8.1 There are no legal implications for the Council as a result of this report.

9. Financial Implications

- 9.1 There are no direct financial implications for the Council arising from the recommendations in this report.

10. References

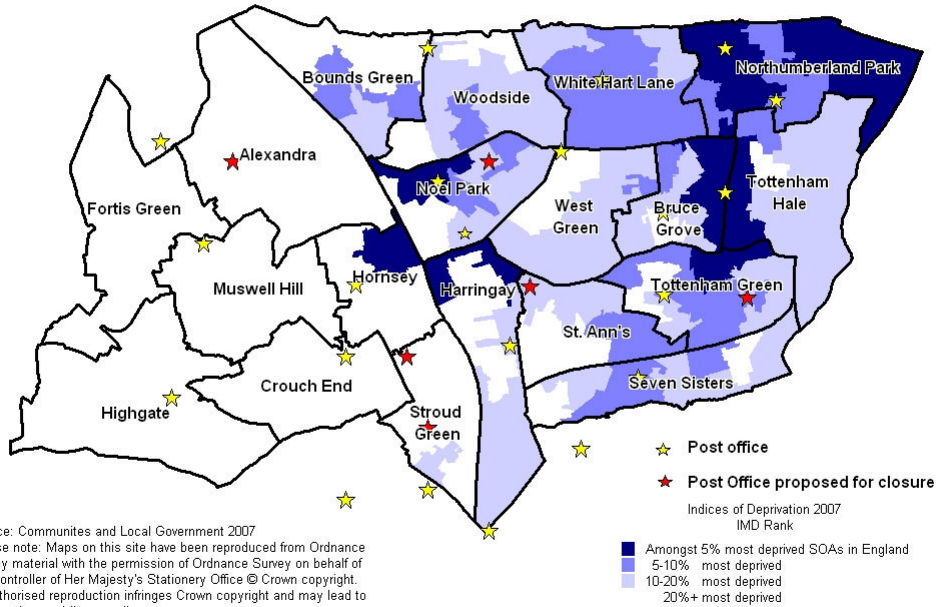
DTI, 2006	Post Office Network: A consultation Document Department of Trade & Industry
DTI, 2007	The Post Office Network: Government response to the public consultation Department of Trade & Industry

Post Office Ltd 2008	Network Change Programme: London Area Proposal Plan
Post Office Ltd 2008a	Branch Access Report ftp://ftp.royalmail.com/Downloads/public/ctf/po/London_area_A3_Branch_Access_Reports_3.pdf
Postwatch 2008	http://www.postwatch.co.uk/
Postwatch 2008a	Memorandum of Understanding between Post Office Ltd and Postwatch in respect of the consultation process that will apply to the Network Change Programme.

11. Appendices

Appendix A – Map of Post Office Closure in Haringey

Indices of Deprivation 2007 and Haringey Post Offices
Rank of IMD
Haringey SOAs



Source: Communities and Local Government 2007
Please note: Maps on this site have been 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 infringes Crown copyright and may lead to prosecution or civil proceedings.
London Borough of Haringey 100019199 2008

Appendix B – Scrutiny Event Plan

Haringey Council

Overview & Scrutiny Committee**Panel Review of Post Office Closure Proposals****Meeting to be held in public****Wednesday 26 March 2008 – Civic Centre,
Council Chamber**

The purpose of the meeting is to gather evidence on the impact that the closures will have on local people and to recommend that Post Office Ltd take them into account before reaching a final decision on proposed closures in Haringey.

The meeting will consist of two sessions. The first session will look at the rationale behind the proposals. Individuals may submit questions that they wish to ask the Post Office or Postwatch in writing to the Chair either in advance or on the day. The second session will examine the likely impact of each of the closure proposals and will provide the opportunity for local residents and organisations to put their views forward.

Agenda - Afternoon Session

The afternoon session will look at the general issues concerned with the proposed post office closures and the consultation process. Approximate timings will be as follows:

3:00 p.m.	Chair's welcome, opening remarks and explanation of process
3:05 p.m.	Presentation by Post Office Ltd on: <ul style="list-style-type: none"> • The criteria and selection process for the 6 sub post offices in Haringey planned for closure • How conclusions were reached • What modelling was undertaken to assess the impact of the proposed closures • What the consequences will be of not undertaking some or all of the proposed closures • What the consultation programme with local people is.
3:15 p.m.	Presentation by Post Watch on their role and input into the proposals and how local residents can influence them.
3:25 p.m.	<ul style="list-style-type: none"> • Evidence from the National Federation of Sub Postmasters

3:35 p.m.	Questions to Post Office Ltd and Postwatch by following (in order): <ul style="list-style-type: none"> • Scrutiny Panel • Local MPs • Leader and Cabinet Members • Ward and other Councillors Other interested organisations
5:00 p.m.	Session ends

Agenda - Evening Session

The evening session will focus on the individual closures and how they affect localities. The meeting will split into two separate groups, each chaired by a Member of the Panel of Councillors looking at the issue. Each group will look at 3 particular closures and include local stakeholders relevant to them. They will, in particular, look at the following:

- How easy will it be to get to alternative post offices
- Possible other ways of obtaining services currently provided
- How the closures will affect local businesses, particularly shops
- The impact on vulnerable groups

The groups will be split as follows:

Group 1:

100, Alexandra Park Road, N10
69, Weston Park, N8
Ferme Park Road, N4

Group 2:

Salisbury Road, N22
Page Green, 100 Broad Lane, N15
434, West Green Road, N15

Approximate timings will be as follows:

5:30 p.m.	Introduction by Chair of each Group	
	<i>Group 1:</i>	<i>Group 2:</i>
5:40 p.m.	100, Alexandra Park Road N10	Salisbury Road N22
6:10 p.m.	69, Weston Park, N8 and Ferme Park Road, N4	Page Green, 100 Broad Lane, N15 and 434, West Green Road, N15
7:10 p.m.	Break	
7:20 p.m.	Plenary session. The Scrutiny Panel will reconvene to consider; <ul style="list-style-type: none"> • General evidence from the afternoon session • Feedback from each of the two groups on specific closures • Appropriate conclusions and recommendations to Post Office Ltd 	
8:00 p.m.	Close	



INVESTOR IN PEOPLE



2005-2006
Getting Closer to Communities

This page is intentionally left blank