

TO: Executive
DATE: 10th October 2007
SUBJECT: POST OFFICE CLOSURES
BY: CORPORATE SERVICES DIRECTOR / LEADER
Classification: Unrestricted.

Summary: The report sets out details of the post office closures affecting the Borough. Those Post Offices affected are all within the Sittingbourne Area: East Street Sittingbourne, Rodmersham Green and Chalkwell Milton Regis.

Implications: Human Resources Implications – no direct implications for Swale Borough Council

Finance Implications - no direct implications for Swale Borough Council

Legal Implications – not applicable

Crime & Disorder Implications – not applicable

Sustainability Implications – more longer journeys to alternative branches

Risk Implications – not applicable

Decision Required: **We recommend that it is appropriate for the Sittingbourne and Swale West Area Forum to hold a special meeting to consider this further and report back to the Executive at its next meeting.**

Introduction/Background

1. The Government has recognised that the number of people using post office branches is declining. New methods of paying benefits and other services have contributed to this. The overall conclusion is that the size and shape of the network needs to change. In May 2007 a range of measures to modernise and reshape the network was announced primarily aimed at putting the network on a more stable financial footing. The Council's response to the consultation, which informed these measures, is shown as Annex A.

2. To implement this proposal Post Office Limited has now put in place a network change programme. This involves compulsory closure of up to 2,500 branches out of a current network of 14,300, together with the introduction of approximately 500 service points known as "Outreaches".

3. The majority of branches, more than 80%, will not change as a result of the programme. Post Office Limited is seeking to make these changes as efficiently and as sensitively as possible. To do this they are applying minimum access criteria prescribed by the Government.

- 99% of the UK population to be within three miles and 90% of the population to be within 1 mile of their nearest post office branch
- 99% of the total population in deprived urban (top 15% Super Output Areas in England) to be within one mile of their nearest post office branch

- 95% of the total urban (a community with 10,000 or more inhabitants) population to be within one mile of their nearest post office branch
 - 95% of the total rural (a community not covered by the definition of urban above) population to be within three miles of their nearest post office branch
4. In addition, for each individual postcode district:
- 95% of the population of the postcode district to be within 6 miles of their nearest post office branch.
5. Changes to the network can only take place within the prescribed access criteria.
6. To deliver the changes required Post Office Limited is developing local area plan proposals for 47 areas in the UK. The Area Plan Proposal for Kent has been developed by analysing a number of factors. These include: proximity of the branch proposed for closure to other nearby branches, the number of customers currently using a particular branch, the size and ability of nearby branches to absorb extra customers and the commercial implications of any decision. They have also taken into account physical geographical characteristics, the availability of public transport, alternative access to key post office services, local demographics and the impact on local economies. Annex B sets out the council's response to the Area Plan proposal framework.
7. The local plan consultation on the Kent area proposal commenced on 2nd October. Within the proposal no specific mention is made of particular factors relating to Swale and there are three proposed closures affecting the Borough:
1. 85-89 East Street, Sittingbourne (urban)
 2. 1 St. Patrick's Row, Rodmersham Green (rural)
 3. 69 London Road, Milton Regis (Chalkwell) (urban)
8. The branch access reports show that the distance to the first alternative branch is as follows:
1. East Street is 0.5 miles away from Central Avenue Post Office
 2. St. Patrick's Row is 2.1 miles away from Central Avenue Post Office
 3. 69 London Road is 0.9 miles away from Central Avenue Post Office
9. Following receipt of the information, all Leaders and Members of the Sittingbourne and Swale West Area Forum were provided with electronic copies of the relevant information. A hard copy has been left in the Members' Room. The local public consultation lasts for a period of six weeks and the closing date for feedback is 12th November 2007.

Commentary

10. Reading through the Area Plan Proposal document, it might be argued that Swale seems to have come off reasonably well, for instance in the retention of the offices in Minster and Halfway, and the only location proposed that is not within a mile of the next branch is Rodmersham Green, although it is within the three mile criteria for rural post offices.
11. Whilst any loss of facility to the communities affected is extremely disappointing, the prescribed access criteria have been applied to the three branches proposed for closure. The proposed closures all fall within the Sittingbourne area. We would suggest the Sittingbourne and Swale West Area Committee be asked to look at each of the three proposals in detail having regard to all the factors used in the Branch Access Reports and to report back to the next meeting of the Executive. . The proposals document also refers to the creation of new outreach services, although there does not seem to be much more

information on these than was set out in the original consultation paper and this is another matter for consideration.

Recommendation

12. We recommend that it is appropriate for the Sittingbourne and Swale West Area Forum to hold a special meeting to consider this further and report back to the Executive at its next meeting.

Reasons for the Recommendation

13. To ensure that there is a local community and council response to the proposed closures

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Date 08/10/2007

List of background documents –

Post Office Limited- Network Change Programme – Area Plan Proposal for Kent and Appendix.

Swale Borough Council's response to original consultation

We have a number of reservations regarding the proposals in the consultation. These reservations cover three key aspects of the proposals:

- a) The proposed access criteria;
- b) Considerations regarding potential future demand; and
- c) The proposed timetable for change and the anticipated funding to facilitate transition.

The remainder of this letter discusses these concerns in more detail.

a) Proposed access criteria

Paragraph 5.2 sets out the Government's proposed criteria defining the minimum access requirements to Post Office services across the country (broadly, that 99% of the population shall be able to access services within three miles, and 90% within one mile). We welcome the recognition in the consultation document that the proposed access criteria will not be applied on a 'one size fits all' basis, and will take account of physical obstacles to access (such as rivers and mountains). However, we are concerned that no explicit recognition is given to the non-physical barriers that may prevent people accessing Post Office services *within* the limits of the access criteria. In particular, poor public transport in rural areas will impose a major restriction on access by those in the community who are most reliant on local

Post Office services, and we would welcome a specific recognition of poor transport as a factor to be taken into account in applying access criteria. It should also be noted that village post buses serve several parts of the Borough, and it is important that we retain this valuable service as the Post Office network evolves.

Secondly, while we welcome the special access criteria accorded to deprived urban areas, we are disappointed that a similar approach has not been taken for deprived rural areas. This is particularly the case given that areas of rural deprivation generally exhibit isolation, poor transport links, and poor provision of and access to local services, and are therefore the places in which Post Offices can perform the most valuable social and economic role. We therefore advocate additional access criteria for deprived rural areas, based on a one-mile definition.

b) Considerations regarding future demand

While the consultation document sets out the recent decline in use of Post Office counter services, no consideration appears to have been given to potential increases in demand. There are three aspects to this:

Firstly, parts of Swale are experiencing significant housing growth, and some of the post offices in the Borough currently classed as rural will in future years be serving much larger local markets which will be effectively urban in nature. Swale's growth patterns will be similar to those experienced elsewhere in the Thames Gateway and across the other Growth Areas of the Greater South East, yet there is no recognition in the Government's proposals of the need to cater for expanding populations in particular localities, or of the contribution that existing service provision can make to the sustainability and local identity of expanding communities. We encourage Government to recognise this varying demand as its proposals develop.

Secondly, changing demographics may limit falling demand for fixed services. Rural populations are generally ageing more rapidly than those in urban areas, so the proportion with limited access requiring locally-available services may increase. It would be useful to consider this issue in more depth before specific proposals for rural closures are developed.

Finally, it should be noted that improvements in technology have led to a rise in home-based and other small businesses, especially in rural areas, for whom some aspects of the Post Office service (parcel collection, for instance) will be important. This does not appear to have been taken into account in the Government's proposals, but the impact of a reduction in service on local businesses should be taken into consideration as well as the impact on residents.

c) Proposed timetable for change and funding to support transition

We welcome the Government's commitment to support the development of outreach and community-led alternatives in those areas losing fixed provision of Post Office services. However, the number of outreach and innovative service solutions that the consultation document envisages (500) is small compared with the anticipated number of closures (2,500). Even allowing for a single new outreach service to cover two or three former fixed outlets, it is still likely that there will be insufficient funding to compensate for the loss.

Related to this, it is important not to underestimate the time that it will take in some cases to develop alternative forms of service provision, especially if they involve some form of co-location with other public services or if they are to be based around a community ownership model. It should also be borne in mind that many existing rural retailers are dependent on their Post Office function, and in some cases, the loss of a fixed Post Office could mean the additional loss of local retail services altogether. That being the case, the programme of closures envisaged in the consultation document appears to be rather rapid, especially in the context of limited funding to develop alternatives. We would welcome re-consideration of the timetable, and greater thought given to the transitional arrangements.

Ms Sue Huggins
Programme Director
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5 September 2007

Dear Ms Huggins

Post Office Network change

Thank you for giving us the opportunity to contribute further to the development of the Kent Local Area Plan for the future of the Post Office Network. As you may be aware, Swale Borough Council submitted a detailed response in March to the Government's consultation on the future of the network, and we are keen to ensure that the Borough maintains an effective level of service provision. As requested in your letter, this response focuses specifically on regeneration and development proposals within the Borough which may impact on accessibility to and demand for post office services.

To provide some initial context, Swale Borough Council serves a population of around 125,000 in North Kent. At present, Swale has 23 post offices, of which 13 are classified as rural sub post offices (a full list is presented in Annex 1).

Regeneration and development plans

As part of the Thames Gateway, the Borough's population and economy are expanding, with a forecast 9,100 new homes and 12,000 new jobs to be created between 2001 and 2016. The main focus for regeneration and development within Swale is in the western part of the Borough, along the A249 Corridor connecting Sittingbourne and the Isle of Sheppey. A map is attached in Appendix 2.

Taking each part of the Borough in turn:

Sittingbourne: The largest town in the Borough, with a population of around 42,000, has the potential for expansion by approximately 3,000 new homes in addition to 2005 numbers within allocations proposed within the current draft Swale Borough Local Plan. This includes over 1,000 new homes within and adjacent to the town centre, with the remainder primarily within new developments to the north and east of Sittingbourne.

Existing post office provision within the vicinity of these new developments includes:

- Sittingbourne Crown office
- Chalkwell urban sub-office (serving western Sittingbourne)
- East Street urban sub-office (serving eastern central Sittingbourne)
- Milton Regis urban sub-office (serving northern Sittingbourne, including parts of the new Milton Creek development when it comes forward and the existing new housing development at The Meads in northern Sittingbourne)
- Murston urban sub-office (serving eastern Sittingbourne, including the new development at East Hall Farm)
- Iwade rural sub-office (serving the new Iwade settlement to the north of Sittingbourne)
- Kemsley rural sub-office (serving northern Sittingbourne, including the new Kemsley Fields development)

In addition, the scale of employment expansion in Sittingbourne should be noted. It is anticipated that by 2016 a potential 6,800 new jobs will be delivered through new employment sites within Sittingbourne. This is in addition to a further 2,200 jobs that may be generated through the further development of Kent Science Park to the south of Sittingbourne.

Queenborough and Rushenden: This town on the Isle of Sheppey currently has a population of around 3,100. However, it is currently subject to a comprehensive regeneration programme, which will involve the creation of some 2,000 new homes and potentially 4,000 new jobs over the next twenty years.

This development will impact on the demand for the Queenborough rural sub-office (the only one located within the development area itself) as well as on that for the nearby Halfway rural sub-office and the Sheerness Crown office (given that Sheerness will continue to be the main local retail and service centre for the development).

Sheerness/ Minster: Sheerness and Minster have a combined population of 27,000, and include at Sheerness town centre the largest commercial and service centre on the Isle of Sheppey. The main new development in the area is at Thistle Hill at Minster, where permission exists for 1,000 new homes of which around 300 have been built, with a further 500 allocated in the draft Local Plan.

This development will in particular impact on the Minster provision (the urban sub-offices at East Minster, Halfway and Minster-on-Sea) and on the Crown office provision at Sheerness.

Sheppey Rural: Outside of Queenborough and Rushenden and Minster/ Sheerness, residential development on Sheppey is likely to be minimal. However, the area does have specific issues of rural isolation and deprivation (see below).

Faversham and Eastern Swale: Eastern Swale will see relatively limited new development over the coming years, although the draft Local Plan identifies scope for around 260 new homes in Faversham between 2005 and 2016. However, there are regeneration opportunities within Faversham town centre, and we would be interested to discuss with you the potential for involving the Post Office's existing land holdings in Faversham town centre in these new developments.

Transport improvements

Your letter asked us to set out significant transport improvements (or losses of service) in the Borough which may impact on post office provision requirements.

There are several major highways schemes that will come forward over the coming years. In particular:

- Sittingbourne Northern Relief Road, which will run from the A249 to the A2 east of Sittingbourne, and which facilitates the development of Sittingbourne Town Centre and the new residential and employment developments at Kemsley Fields, East Hall Farm and Eurolink 4
- Rushenden Link Road, which will provide new access to Queenborough and Rushenden from the A249, and is essential to the delivery of the wider Queenborough and Rushenden Regeneration scheme

In themselves, the major schemes currently under way or planned within Swale will not greatly change levels of access from existing communities to post office services, and it is not anticipated that any loss of transport service will significantly reduce access to services. However, rural Swale generally has poor public transport links, and as you will be aware, the distribution of rural post offices in much of Swale is relatively sparse. Village post buses

serve several parts of the Borough, and it is important that this valuable service is retained. It should also be noted that the scale of development forecast within the Borough will mean additional pressure on existing services.

Localised deprivation and isolation issues

In addition to the future development and transport provision issues on which you specifically requested information, there are a number of local issues of deprivation and isolation in Swale, which merit attention. In particular, much of the eastern part of the Isle of Sheppey (served by the Eastchurch and Leysdown-on-Sea rural sub-offices) is among the 20% most deprived wards in England, and also suffers from both poor accessibility and a limited range of locally available commercial and public services. While local partners continue to seek regeneration funding to support isolated communities, it is unlikely that rural isolation and deprivation will be resolved in the foreseeable future.

I hope that the information that we have provided is helpful. Should you require any further information, including more detailed statistics relating to development, regeneration or demographics in Swale, we would be more than happy to provide it, and if you have any queries, please do not hesitate to contact me.

Yours sincerely

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Annex 1: Post Offices in Swale

Swale has 23 post offices (classified as Rural or Urban according to the classification given by Post Office Ltd):

Urban: Crown offices	Urban: Sub-offices	Rural: Sub-offices
Faversham Sheerness Sittingbourne	Chalkwell East Minster East Street (Sittingbourne) Halfway Milton Regis Minster-on-Sea Murston	Boughton Bredgar Eastchurch Iwade Kemsley Leysdown-on-Sea Lower Halstow Newington Queenborough Rodmersham Green Teynham White Lion service site Upchurch